



156 East First Street
New Richmond, WI 54017
Ph 715-246-4268 Fax 715-246-7129
www.newrichmondwi.gov

TO: Mayor and City Council
FROM: Tanya Reigel, City Clerk
DATE: October 7, 2015
RE: Administrative Permit Fee & Escrow Amount

Background:

When a new commercial building project has a footprint of less than 5,000 square feet, a site plan review is not required. The developer instead is only required to apply for an Administrative Permit. The application is reviewed by the Development Review Committee before a building permit can be issued. We do not collect a fee for the Administrative Permit review. The project may require review by our planner and possibly storm water review. Those costs typically run between \$500 and \$1,000; a cost which the City has been paying for. Attached please find pages from our ordinance that explains when a building permit is needed and when an Administrative Permit is needed.

Recommendation:

Staff recommends collecting a \$100 application fee and an escrow amount of \$1,000 for the Administrative Permit. The Finance Committee has approved the application and the fees as well.

RESOLUTION #101502
RESOLUTION AMENDING THE SCHEDULE OF FEES

WHEREAS, the City of New Richmond hereby adopts the following Amendment to the Schedule of Fees:

Miscellaneous Clerk's Fees	Amount
Administrative Permit Fee	\$100.00
Administrative Permit Escrow	\$1,000.00

Passed and Approved October 12, 2015

Fred Horne, Mayor

ATTEST:

Tanya Reigel, City Clerk



ADMINISTRATIVE PERMIT PROCESS

City of New Richmond

156 East First Street ❖ New Richmond, WI 54017

Phone: (715) 246-4268 ❖ Fax: (715) 246-7129

Overview: Administrative permit process applications will be reviewed by the Development Review Committee (DRC).

Submission Requirements: The attached application form must be completed and submitted with all requested materials. Failure to submit all application materials may delay the review process described below.

Escrow Deposit: Because these applications can involve a significant amount of research and analysis by staff and/or outside consultants, the applicant must deposit \$1,000 in escrow in addition to the application fee. Unused escrow funds will be returned to the applicant at the conclusion of the review process.

Initial Review: Applications will be reviewed for completeness by City staff, and a determination of completeness will be provided to the applicant either by phone call, email, or letter. We will notify you of the items that are needed in order to complete the application; once all of the outstanding application materials are received. Typically, the DRC meets the first and third Thursday of each month, on an as needed basis. Completed applications will be reviewed at the next scheduled meeting.

Staff Report: City staff will prepare a report summarizing the application, reviewing it against City ordinances and policies, and provide a recommendation for the Development Review Committee.



ADMINISTRATIVE PERMIT APPLICATION

City of New Richmond
156 East First Street ❖ New Richmond, WI 54017
Phone: (715) 246-4268 ❖ Fax: (715) 246-7129

CITY ORDINANCE SECTION 117 & 121
www.newrichmondwi.gov

☐ **ADMINISTRATIVE PERMIT: \$100.00 ESCROW: \$1,000.00**

Application fees should be made payable to City of New Richmond upon submittal of completed application. Escrow funds will be drawn to cover project-related costs. Additional funds may be required; surplus funds will be returned.

Please complete the application by typing or printing in ink. Use additional paper if necessary.

1. Property Owner Information:

Company name: _____

Last name: _____ First name: _____

Address: _____ City/State/Zip: _____

Phone number: _____ Email address: _____

2. Applicant Information: (if different from above)

Company name: _____

Last name: _____ First name: _____

Address: _____ City/State/Zip: _____

Phone number: _____ Email address: _____

3. Address(es) of Property Involved: (if different from above)

4. Zoning Designation: _____

5. Statement of Intent: Briefly describe what will be done on or with the property: _____

6. Additional Required Information:

- a. **Legal Description and PIN:** Provide the Parcel Identification Number(s) and the complete legal description(s) of the property involved.

b. Consultant Fees: Whenever third party consultants are utilized in the preparation of application materials (e.g., a traffic study) or the City's review of an application (e.g., traffic study analysis), the applicant shall be responsible for paying the entirety of those costs.

c. Other Information: In addition to a full size site plan and an 11" x 17" copy, topographic survey, landscape plan, grading and drainage plan, exterior building elevation drawings, and other information may also be required if deemed necessary by City Staff. Please refer to Sec. 121-31 for further information on Site Plans.

7. Signature(s): By signing below, you attest that the information above and attached is true and correct to the best of your knowledge.

Property Owner: _____

Date: _____

Applicant: _____

Date: _____

Fee Paid: _____

Date: _____

Receipt # _____

Escrow Paid: _____

Date: _____

Receipt # _____

- h. Reciting of facts indicating that the proposed change will not be detrimental to the general public interest and the purposes of this Ordinance.
 - i. Names and addresses of all property owners within 100 feet of the property to be altered.
 - j. Plot plan or survey plat, drawn to scale, showing the property to be rezoned or subject to the text amendment, location of structures, and property lines within 100 feet of the parcel.
 - k. Any further information requested to the petition or which may be required by the Plan Commission to facilitate the making of a comprehensive report to the Common Council.
3. Failure to supply such requested information shall be grounds for dismissal of the petition.

D. Evaluation Criteria

- 1. The Plan Commission and Common Council shall consider possible adverse effects of the proposed amendment or rezoning. Its judgment shall be based upon (but not limited to) the following factors:
 - a. The proposed action has been considered in relation to the specific policies and provisions of and has been found to be consistent with the City Comprehensive Plan, including public facilities and capital improvement plans.
 - b. The proposed action meets the purpose and intent of this Ordinance or, in the case of a map or text amendment; it meets the purpose and intent of the individual zoning district.
 - c. There is adequate public infrastructure available to serve the proposed action.
 - d. There is an adequate buffer or transition provided between potentially incompatible zoning districts.
 - e. The change will be compatible with existing and planned use in the area.

PERMITTED USES PROCEDURE

Building Permit Application Submitted
 Zoning Administrator refers to DRC
 Zoning Administrator Final Action
 Report Submitted to Building Official

Sec. 121-30. Permitted Uses; Building Permit

A. Purpose

No vacant land shall be occupied or used, and no building shall be hereafter erected, structurally altered, relocated, used or occupied until a building permit has been issued certifying that any such building, use or occupancy complies with the

provisions of this Ordinance. Such permit shall be obtained before any change is made in the type of use or before any legal nonconforming use is resumed, after 12 months of inactivity, changed, extended or granted conditional use status.

B. Procedure

1. Request for approval.

As provided within this Ordinance, a request for a building permit must be filed with the Zoning Administrator on an official application form. A non-refundable fee as provided for in the Schedule of Fees shall accompany such application. Detailed written and graphic materials, the number and size as prescribed by the Zoning Administrator, fully explaining the proposed development, or use, shall also accompany such application. The request shall be considered as being officially submitted and complete when the applicant has complied with all the specified information requirements.

2. Proof of Ownership or Authorization.

The applicant shall supply proof of ownership of the property for which the approval is requested or supply written authorization from the owner(s) of the property in question to proceed with the requested approval.

3. Procedures.

When a building permit application is submitted, the Zoning Administrator shall refer the application to the DRC for review to ensure compliance with all zoning standards. One and two-family homes, garages, fences, pools, and associated projects shall be exempt from DRC review. The DRC shall review for compliance and provide a report to the Building Official. The Zoning Administrator may require revisions to the application to ensure compliance with this Ordinance.



**Recommended meeting
with Staff**



**Application &
Fee required**



**Recommendation
by Staff/Commission**



**Permit
required**

C. Information Requirement

1. The applicant shall submit files in the following formats:

- a. Five sets of full size plans drawn to scale of not less than 1" = 100'.
- b. One set of plans reduced to 11x17.
- c. One set electronic plans in .pdf format.

2. Unless waived by the DRC, every application must contain the following written and graphic materials:

- a. Names and addresses of the applicant, owner of the site, architect, professional engineer or contractor.

ARTICLE VI DISTRICT STANDARDS - SECTION 121-36 GENERAL DISTRICT STANDARDS (TABLE 3)

IV. DESIGN STANDARDS

TABLE 3. SPECIFIC FUNCTION AND USE

	Z1 Agriculture / Preservation	Z2 Sub-Urban	Z3 Multi-Use / Corridor	Z4 General Urban	Z5 Traditional Neighborhood	Z6 Central Business	Z7-A Special Use District	Z7-I Special Use District
a. AGRICULTURE								
Farm / Livestock / Stable / Grain Storage	A							
Greenhouse	A	A	SP					
Kennel	C		C					C
b. AUTOMOTIVE								
Gas Station / Convenience Store	C	C	C	C	C	C	C	C
Car Wash	C	C	C	C	C	C	C	C
Vehicle Service			SP				SP	SP
Vehicle Sales / Rental			SP	SP			SP	SP
c. CIVIC								
Auditorium / Theater			SP			C		
Golf Course	C	C	C	C				
Indoor Recreation			A	C		SP	C	C
Outdoor Recreation	A	A	A	A	C	A		C
Library			SP	SP	SP	SP		
Museum			SP		C	SP		
Places of Worship/Assembly	A	A	SP	SP	SP	C		
d. CIVIL SUPPORT								
Crematorium	SP							
Cemetery	C	SP	SP		C			
Clinic	SP	SP	SP	SP	SP	SP	SP	SP
Essential Services	A	A	A	A	A	A	A	A
Fairgrounds	SP	SP	SP					
Law Enforcement / Fire Station	A	A	A	A	A	A	A	A
Funeral Home	SP	SP	SP	C		SP		
Hospital		C	C	C	C	C		
Public Works Garage	SP	SP	SP	SP	SP	SP	SP	SP
e. COMMERCIAL / RETAIL / SERVICE								
Adult Oriented Establishments			C					
Beer Garden			C	C		C		
Box, Large			SP				SP	SP
Box, Medium			SP			C	SP	SP
Box, Small		SP	A			A	SP	SP
Corner Store		C	A	A	C	A	SP	SP
Mixed Use Block Building			A	SP	C	A		
Open Air Market			C	C	C	C		
Roadside Stand	A							
f. EDUCATION								
College		C	SP				SP	C
High School	C	C	SP	SP	SP			
Trade School		C	SP				SP	SP
Elementary School	C	C	SP	SP	SP			
Childcare Center / Daycare facility	A	A	SP	SP	C	A	C	A

Key

A = Permitted administratively subject to submittal of a Building Permit, as described in 121-30.

SP = Permitted subject to submittal of a Site Plan Application as described in 121-31.

C = Conditional subject to submittal of Conditional Use Permit Application as described in 121-32.

CA = Certificate of Appropriateness for any Historic Site as described in 121-59.

**Properties may be subject to special requirements for overlay districts as noted in Article IX (Special Overlay Districts) or PUDs as described in Section 121-9.

As-built plan. The amended final site plans specifying the locations, dimensions, finished grades, capacities, and capabilities of structures or facilities as they have been constructed.

Auditorium. A building or structure designed or intended for use for the gathering of people as an audience to hear music, lectures, plays, and other presentations.

Basement. That portion of any structure all or partly underground but having at least one-half of its height, the distance between the ceiling and floor, below grade.

Bed and breakfast. A building that provides 4 or fewer sleeping rooms for temporary occupancy for compensation by transient guests who are traveling for business or pleasure and is the owner's personal residence and occupied by the owner at the time of rental. The partnership form of ownership shall be allowed under this definition.

Beer Garden. A beer garden is defined as an open air, roofed or unroofed area adjacent or accessory to a Class B intoxicating liquor and/or fermented malt beverage licensed premises, where beer and other alcoholic beverages are served or consumed. A beer garden does not include:

1. A temporary extension of licensed premises granted by the Common Council.
2. A rooftop patio on a licensed premise.
3. That portion of an existing licensed premise which was located outdoors prior to the adoption of this Ordinance.

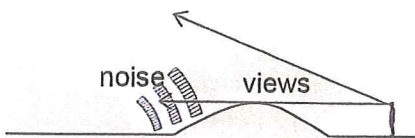
Berm. An earthen mound designed to provide visual interest on a site, screen undesirable views, reduce noise or fulfill other similar purposes.

Block. A tract of land bounded by streets or by a combination of streets and public parks or other recognized lines of demarcation.

Box, Large. A freestanding building with a commercial function with a floor area greater than 35,000 square feet.

Box, Medium. A freestanding building with a commercial function with a floor area between 5,001 and 35,000 square feet.

Box, Small. A freestanding building with a commercial function with a floor area not exceeding 5,000 square feet.



Berm diagram



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TO: Mayor and City Council

FROM: Mike Darrow, City Administrator/Kari Kraft, HR Manager and Executive Asst.

DATE: October 8, 2015

RE: Paychex Agreements

Background

As requested by the Finance Committee, I have attached the agreements necessary for moving forward with Paychex as our new Payroll vendor.

Recommendation

Staff is recommending that we approve these agreements.

Paychex Productivity Services Agreement

Company Name City of New RichmondOffice-Client Number 0943Federal ID Number 39-6005554

This Paychex® Productivity Services Agreement ("Agreement") is entered into between Paychex, Inc. ("Paychex"), located in Rochester, New York and the Company identified above ("Client"). The Agreement will continue until terminated in accordance with its provisions.

1. **Services.** Client employs Paychex to provide the services, and any optional services selected by Client below (collectively "Services"). Services are described in the Product Terms and Conditions section of this Agreement. Paychex will not commence any of the Services until Paychex receives all documents necessary to begin each of the Services and notifies Client of the date Paychex will commence each of the Services ("Service Effective Date"). Client acknowledges that each of the Services may have separate Service Effective Dates. **Until the Service Effective Date, Client will continue to provide for itself the Services requested of Paychex. Paychex assumes no responsibility for Services prior to the Service Effective Date or for Services declined by Client.**

Productivity Services. Productivity Services includes the Services set forth below as described in the Product Terms and Conditions section of this Agreement.

Payroll and Tax Services

- Payroll Processing
- Taxpay®
- Direct Deposit
- ☒ Readychex® - OR - ☐ Check Signing
- Check Insertion
- Check Logo Service
- State Unemployment Insurance Service (SUIS)
- Garnishment Payment Service
- Time Off Accrual Service (TOA)

• Labor Distribution

- Job Costing
- ## Reporting Services
- Data Exports
 - Reports On-Demand
 - Report Writer
 - New Hire Reporting
 - Report Center
 - ☐ General Ledger Report - OR -
 - ☒ General Ledger

Human Resource Services

- Labor Posters
 - HR Library
 - Employee Access Online (EAO)
 - Paychex FlexSM Time
 - Paychex HR Online
- Benefits Administration (some services (*) require the execution of a separate agreement)**
- Workers' Compensation Report Service or Workers' Compensation Payment Service* (1)

(1) In the event that Client selects the Workers' Compensation Payment Service, but either terminates or elects not to receive the Service, Client is solely responsible for contacting Paychex to begin receiving the Workers' Compensation Report Service.

Declined Productivity Services. Client declines the Services initialed below. Client is solely responsible for performing the declined Services.

Initial here to DECLINE Paychex FlexSM Time

Initials

Initial here to DECLINE HR Online

Initials

Optional Services. Initial below to select additional Services. The optional Services are not part of the Productivity Services and Client acknowledges it must pay separately for each selected Service. The optional Services are described in the Product Terms and Conditions section of this Agreement.

Premium Only Plan

Initials

Background Check Service

Initials

Paychex Employee Screening Services

Initials

Recruiting (subject to availability)

Initials

COBRA Administration

Initials

Paychex Time and Labor Online (TLO)

Initials

ExpenseWire (subject to availability)

Initials

GL Custom Interface (subject to availability)

Initials

Onboarding (subject to availability)

Initials

Client agrees that Paychex is not rendering legal, tax, accounting, or investment advice in connection with the Services, nor is Paychex a fiduciary of Client, a fiduciary of any Client benefit plan offered for the benefit of Client's employees, or the employer or joint employer of Client's employees. Paychex will not be responsible for Client's compliance with, nor will Paychex provide legal or other financial advice to Client, with respect to federal, state, or local statutes, regulations, or ordinances, including, but not limited to, the Fair Labor Standards Act or any wage and hour laws. Client agrees to comply with any and all applicable federal, state, and local laws or ordinances.

Client understands that this Agreement (Rev. 9/15) may be considered an application for credit and hereby authorizes Paychex to investigate the credit of the Client and/or its principals, including vendor references, bank account status, and history (collectively "Client's Credit"). Paychex' performance of the Services under this Agreement is subject to approval of Client's Credit. Client warrants that it possesses full power and authority to enter into this Agreement, and has read and agrees to the terms and conditions set forth in sections 1-24 of this Agreement.

Client has chosen a 3 year term/price lock agreement.

Authorized Officer's Name Kari Kraft Title Officer Operations Manager

Authorized Officer's Signature

Date

2. **Client Contacts.** Client will designate authorized contact(s) that will provide Paychex with information and directives necessary for Paychex to perform the Services (collectively "Client Information"). Client is responsible for the accuracy of any Client Information provided by authorized contacts and/or Client. Client acknowledges that it is solely responsible for designating all authorized contacts, establishing the level or type of access being granted to each contact, and keeping all contacts and access levels current at all times.
3. **Client Information.** Client will execute and/or provide all documentation that Paychex requires to perform its responsibilities under the Agreement including, where necessary, taking all corporate action. Client acknowledges that Paychex may be required to obtain documents necessary to verify the identity of Client pursuant to applicable federal and/or state statutes or regulations. Client will provide Paychex with all necessary Client Information pertaining to Client's employees at least two (2) banking days prior to a payroll check date. **Client acknowledges that Client is responsible for any delayed remittance of wages, taxes, and garnishments, and additional processing Fees incurred as a result of its failure to provide Client Information at least two (2) banking days prior to a payroll check date. Paychex shall not be required to obtain authorization from Client to act on Client Information.**
4. **Reliance on Client Information.** Paychex will not be responsible for errors that result from Paychex' reliance on Client Information.
5. **Review Reports and Data.** Client will review all reports, documents, and data provided, made available, or accessible by Client on Client's account, and Client will inform Paychex of any inaccuracies within three (3) business days of receipt or availability.
6. **Software**
 - a. **Software Licenses.** Client has received, or may receive, certain computer software relating to Services selected by Client. Paychex grants Client a limited, non-transferable, non-exclusive license in all such software. Client agrees that in the event that it does not accept all of the terms and conditions of any and all Paychex software, and/or third-party software, and any and all applicable license agreements provided to Client now or in the future, Paychex will not be obligated to perform Services dependent upon the software.
 - b. **Right to Access Proprietary Software.** Client has received, or may receive, a limited, non-transferable, non-exclusive right to access and use Paychex proprietary hosted software products via a web browser. Paychex will host and retain physical control over the software and make such computer programs and code available only through the Internet for access, use, and operation through a web browser. No provision under this Agreement shall obligate Paychex to deliver or otherwise make available any copies of computer programs or code from the software. Client is responsible for obtaining and maintaining all computer hardware, software, and communications equipment needed to access the software, and for paying all third-party charges (e.g. kiosk, ISP, or telecommunications charges) incurred while accessing the software.
 - c. **Confidentiality of Software.** Client acknowledges that the software received or accessed as part of Client's Services contains valuable trade secrets and confidential information owned by Paychex or third parties. Client agrees that Client, its employees, and its agents will not, directly or indirectly: (i) sell, lease, assign, sublicense, or otherwise transfer; (ii) duplicate, reproduce, or copy; (iii) disclose, divulge, or otherwise make available to any third party; (iv) use, except as authorized by this Agreement; or (v) decompile, disassemble, or otherwise analyze for reverse engineering purposes the software received or accessed. Client will take appropriate action with Client's employees and agents to satisfy its obligations under this Agreement with respect to the use, protection, and security of software. Client will notify Paychex immediately of any unauthorized use or disclosure of Confidential Information and will cooperate in remedying such unauthorized use or disclosure.
 - d. **Intellectual Property Rights.** Paychex owns all rights, title, and interest, including, but not limited to, copyright, patent, trade secret, and all other intellectual property rights, in the software Client receives or access for Services. If Client is ever held or deemed to be the owner of any copyright rights in the software or any changes, modifications, or corrections to the software, Client hereby irrevocably assigns to Paychex all such rights, title, and interest. Client agrees to execute all documents necessary to implement and confirm the letter and intent of this section.
7. **Remit Reimbursement Amounts.** Client agrees to remit funds to Paychex representing the amount due to pay Client's employees, remit taxes, or pay garnishments ("Reimbursement Amounts") through an EFT, or such other payment method as required by Paychex.
8. **Payment of Fees.** Client will pay all fees, including, but not limited to, fees for all Paychex Services each pay period, setup fees, and any Termination Fee (collectively "Fees") through an EFT or such other method as required by Paychex when due. Minimum monthly Fees are due in the event Client fails to process a payroll or whose payroll fails to meet the minimum monthly charge during the month. Fees include minimum monthly, insufficient funds, late fees and premium processing fees. Paychex' Fees are set forth on the Proposal for Services, Payment Information sheet, and/or Fee Schedule and will not be increased for a period of two (2) years from the date hereof. After two (2) years, Fees may be increased by not more than three (3) percent. After three (3) years, Fees are subject to change upon thirty (30) days written notification to Client. Paychex may, in its sole discretion, require a security deposit from Client, and Client waives any right to interest that may accrue on any amounts, including, but not limited to, Reimbursement Amounts, Fees, and security deposits received by Paychex.

9. **Electronic Funds Transfer.** If Paychex requires payment of Fees or Reimbursement Amounts (collectively "Amounts Due") through an EFT, Client (i) will execute all documentation needed by Paychex to originate EFT transactions and to verify availability of funds in Client's bank account; (ii) agrees that the funds representing the Amounts Due will be on deposit in Client's bank account in collectible form and in sufficient amount when due ("Funding Deadline"); and (iii) authorizes Paychex to collect all Amounts Due from Client's bank account on the Funding Deadline. All EFTs are performed in compliance with the National Automated Clearing House Association operating rules ("NACHA"). Client agrees (i) to follow NACHA, as they are amended from time-to-time; (ii) to assume the responsibilities of an initiator of EFTs, if applicable; (iii) that it will not initiate any EFT that violates any law; and (iv) that Paychex may identify Client to banks involved in the EFT. Client further agrees that it will notify Paychex, pursuant to applicable NACHA and federal regulations, if funding for Client's payroll is received from a foreign financial agency and of any employees with non-U.S. addresses.
10. **Payment by Wire Transfer or Other Method.** If Paychex requires payment of Amounts Due by a wire transfer or other method, Client agrees to provide Paychex with all information necessary to confirm receipt of the payment prior to the Funding Deadline.
11. **Insufficient or Nonconfirmed Funds.** If sufficient funds are not available on the Funding Deadline, Paychex may take such action to collect Amounts Due including, but not limited to, reissuance of the EFT and assessing insufficient fund Fees. **Client acknowledges that Client is responsible for any delay in remittance of wages, garnishments, or taxes if Paychex is unable to confirm receipt of funds prior to the Funding Deadline.**
12. **Client's Default.** In the event of a Client default, Paychex may, at its sole option, terminate the Agreement or a portion thereof, without notice and declare all Amounts Due immediately due and payable. Client agrees to promptly reimburse Paychex for all advances or overpayments made by Paychex and to pay interest on the advances at the rate of one and one-half percent (1½%) per month, or the maximum allowable by applicable law, until paid. Client agrees that Paychex may initiate an EFT to Client's bank account for any past due Amounts Due. Client will be responsible for the costs of collection of Amounts Due including, but not limited to, attorneys' fees and court costs. Paychex may, in its sole discretion, commence an action within the County of Monroe, State of New York, or in any other court of competent jurisdiction for any monies due and owing from Client to Paychex.
13. **Refund/Adjustment/Overpayment.** Client agrees that Paychex may apply any balances it is holding for Client to Amounts Due owed to Paychex or its affiliates. In the event Paychex remits an overpayment of payroll taxes, Paychex may, at its sole discretion, advance funds to Client. In the event Paychex advances overpayment funds to Client then Client agrees that it will reimburse Paychex for the overpayment within the sooner of five (5) days of (i) receiving the overpayment amount from the taxing authority; or (ii) being notified that the overpayment amount would be applied to an outstanding tax liability of Client; or (iii) the Agreement being terminated by either party.
14. **Termination.**
- The term of this Agreement will commence on the date that Paychex first processes Client's payroll under this Agreement and will continue for a period of three (3) years ("Initial Term"), and will then remain in effect until terminated by either party (the "Term").
 - If: (i) Client becomes subject to receivership, bankruptcy, or is insolvent; or (ii) Paychex, in its sole discretion, determines that a material adverse change has occurred in the financial condition of Client; or (iii) Paychex determines, in its sole discretion, that any federal, state, or local legislation, regulatory action, or judicial decision adversely affects its interests under the Agreement; Paychex may terminate this Agreement effective upon receipt by Client of written notice of termination.
 - Paychex may immediately terminate the Agreement, or a portion thereof, if: (i) Client fails to have sufficient funds on the Funding Deadline; or (ii) Client materially breaches the terms or duties imposed upon it by this Agreement, and fails to cure such breach within fifteen (15) days after receipt of written notice reasonably identifying the breach.
 - In addition to the provisions of Section 14.b. and 14.c., either party may terminate this Agreement, at any time, upon providing not less than thirty (30) days prior written notice of termination to the other party.
 - If this Agreement is terminated prior to expiration of the Initial Term (i) by Client pursuant to Section 14.d; or (ii) by Paychex in accordance with Section 14.c., Client shall pay to Paychex, within thirty (30) days after the date of termination, an amount equal to the average monthly Fees multiplied by the lesser of (i) the number of months remaining in the Initial Term; or (ii) three (3) months ("Termination Fee"). The Termination Fee shall be received by Paychex within thirty (30) days after the effective date of termination.
 - Termination of the Agreement will not relieve Client of any obligations set forth herein this Agreement, including, but not limited to, its payment obligations.
15. **Limit of Liability.** Paychex' sole liability and Client's sole remedy for Paychex' breach of the Agreement will be: (i) for Paychex to remit to the appropriate payee the funds received from Client; and/or (ii) for Paychex to reimburse Client or its employees for any interest or penalties assessed by taxing authorities as a direct result of Paychex' breach of the Agreement. Paychex can only be held liable for breach of the Agreement and will not be held liable for (i) any negligent act or omission by Paychex; (ii) the negligence of any other person or entity, including, but not limited to, Client and its employees or agents, or any person or entity that provides services in connection with or as a result of Paychex' performance of its obligations under the Agreement; (iii) any loss, claim, or expense arising from any information provided or modified by Client; or (iv) Client's breach of NACHA. **Paychex will, under no circumstances, be liable for any special, indirect, incidental, or consequential or punitive damages, including lost profits incurred by Client pursuant to this Agreement or by the transactions contemplated by it, however caused, on any theory of liability (including contract, tort, or warranty), or as a result of Paychex' exercise of its rights under the Agreement, even if Paychex has been advised of the possibility of such damages.**
16. **Client Confidential Information.** "Client Confidential Information" will mean all information disclosed or otherwise made available by Client to Paychex that is marked confidential or is of the nature that a reasonable person would identify it as being confidential, and the name, social security number, date of birth, address, bank, and/or wage information of Client and Client's

employees provided to Paychex by Client. Paychex will use reasonable care to prevent the disclosure of such Client Confidential Information to any unauthorized person or entity. Paychex may disclose Client Confidential Information to its employees, affiliates, subsidiaries, agents, and contractors to (i) perform or offer Services; (ii) offer additional products or services; (iii) integrate third-party services into the Services; (iv) perform analysis to determine Client's qualification to receive future services; and (v) collect Amounts Due and may disclose Client's payment experiences with Paychex to credit reporting agencies and supply vendor references on Client's behalf. Paychex may also disclose Client Confidential Information (i) to its attorneys, accountants, and auditors; and (ii) pursuant to federal, state, or local law, regulation, court order, legal process, or governmental investigation. In the event of any compromise or security breach resulting in the disclosure or possible disclosure of Client

Confidential Information, Paychex will notify Client as legally required of such compromise or breach. The obligations set forth in this section will not apply to any Client Confidential Information that (i) Client has agreed is free of any nondisclosure obligations; (ii) at the time of disclosure was free of any nondisclosure obligations; (iii) is independently developed by Paychex or that Paychex lawfully received, free of any nondisclosure obligations, from a third party having the right to furnish such Client Confidential Information; or (iv) is or becomes available to the public without any breach of this Agreement or unauthorized disclosure; or (v) is already in the possession of the requesting party.

17. **Third-Party Services.** At Client's option, Client can integrate certain third-party services into the Services. These third-party services are not provided by Paychex. Client agrees to hold harmless and release Paychex from any liability relating to Client's use of third-party services or integration of the Services with third-party services. Client's ability to use third-party services may be limited according to the third-party's terms and conditions. When Client integrates with a third-party service, Client authorizes Paychex to share any Client data, including Client Confidential Information, as may be needed by the third-party to provide the third-party services. Paychex is not liable for any disclosure of Client Confidential Information by any such third-party. If Client does not opt to integrate third-party services into the Services, the provisions of this Section shall not apply.
18. **Client Online Account.** In the event Client and/or Client's employees access Services online or through any mobile or other electronic devices ("Online Account"), Client is solely responsible for (i) designating who is authorized to have access to the Online Account; (ii) safeguarding all passwords, usernames, logins or other security features used to access the Online Account ("Online Account Access"); (iii) use of Online Account under any usernames, logins or passwords; (iv) ensuring that use of the Online Account complies fully with the provisions of this Agreement; and (v) any unauthorized access, or use, of the Online Account caused by Authorized Users' actions or inactions, including, without limitation, its failure to safeguard Online Account or Online Account Access. Client agrees to immediately notify Paychex of any actual or suspected unauthorized use of Online Account, and acknowledges that Client is solely responsible for damages resulting from Client's failure to timely notify Paychex. Paychex reserves the right to limit, suspend, or terminate Client's and/or Authorized User(s)' access to Online Account should Paychex have reason to believe that the security or confidentiality of Online Account or Online Account Access has been compromised. Client acknowledges that Authorized Users select the security level for Online Account Access and Client is solely responsible for these selections. Client further acknowledges that it has reviewed all of the security levels and has determined the level or levels for its Authorized Users that is commercially reasonable for providing security against unauthorized access and meets Client's requirements given the size, type and frequency of the Services it will receive from Paychex. Client is solely responsible for implementation of an information security program appropriate to safeguard the Online Account or Online Account Access and which is consistent with all applicable federal, state and/or local statutes or regulations; safeguarding Online Account and Online Account Access for any third-party services integrated into the Services; maintenance and routine review of computing and electronic system usage records (i.e. log files); and the security of its own data, data storage, computing device(s), other electronic systems, and network connectivity. Client acknowledges and agrees that Paychex is not liable to Client, Client's employees or any other third-party for any consequences, losses, or damages resulting from unauthorized access or use of the Online Account as set forth in this section.
19. **Indemnification.** Client will indemnify, defend, and hold Paychex and its respective officers, directors, and employees harmless from any and all claims, costs, attorneys' fees (including in-house counsel fees), and expenses resulting from or arising in connection with (i) a Client default; (ii) the use, misuse, reproduction, modification, or unauthorized distribution of Software; (iii) Client's breach of NACHA; (iv) Client's breach of any warranty set forth in the Agreement; and (v) any claims that any symbol, logo, or mark uploaded by Client or Client's agents, or printed on Client's handbooks or checks, infringes the intellectual property rights of any third party.
20. **Governing Law and Arbitration.** The Agreement and all aspects of the relationship between Paychex and Client shall be governed exclusively by the laws of the State of New York without regard to, or application of, its conflict of laws, rules, and principles, except for the arbitration agreement contained herein which shall be governed exclusively by the Federal Arbitration Act, 9 U.S.C. section 1 et seq. (the "FAA"). **Except as provided herein, any dispute arising out of, or in connection with, the Agreement will be determined only by binding arbitration in Rochester, New York, in accordance with the commercial rules of the American Arbitration Association.** Arbitrable disputes include, without limitation, disputes about the formation, interpretation, applicability, or enforceability of this Agreement. A separate neutral arbitrator must be selected and appointed for each dispute. Any dispute arising under the Agreement will be brought within two (2) years of when the claim accrued. The arbitrator will not be authorized to award exemplary or punitive damages, or any damages excluded in the Limit of Liability provision. The parties agree that the prevailing party in arbitration, and any subsequent judicial proceeding to enforce an arbitration award, will be awarded costs and attorneys' fees (including in-house counsel fees) and that an arbitration award may be entered as a judgment in any court having jurisdiction over either party to the Agreement. The parties will not be permitted to bring, or participate in, and the arbitrator will not have any authority or jurisdiction to hear or decide, any claims brought as any type of purported class action, coordinated action, aggregated action, or similar action or proceeding. Each party must only bring claims against each other in their individual capacity.
21. **Assignability.** The Agreement may not be assigned by Client to any third parties, other than successors, without the prior written consent of Paychex. Any assignment made without such consent will be null and void.
22. **Signature.** The parties agree that Client's signature on this Agreement may be transmitted to Paychex electronically or by facsimile. The parties further agree that such signature will have the same force and effect as if the original signature had been provided and received.

23. **Miscellaneous.** The Agreement, along with any exhibits, addendums, schedules, and amendments, contains the entire understanding of the parties and supersedes all previous understandings and agreements between the parties for the Services provided, whether oral or written, including, without limitation, any confidentiality or nondisclosure agreement(s) entered into by and between Client and Paychex prior to the date hereof. Neither party will be responsible for any delay or failure to perform obligations specified in the Agreement due to causes beyond the party's reasonable control. Client acknowledges that there have been no representations or warranties made by Paychex or Client that are not set forth in the Agreement. Paychex may modify any term of the Agreement upon thirty (30) days written notice to Client of such change and the effective date thereof. Client will be deemed to have accepted and agreed to such changes unless Client elects to terminate the Agreement by written notice to Paychex prior to the effective date of the change and pursuant to the Termination provisions. If any provision of the Agreement or any portion thereof is held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remainder of the Agreement will not in any way be affected or impaired. Sections 1-24 will survive the termination of the Agreement.
24. **Product Terms and Conditions.** Client acknowledges that it will receive only the Services selected on Page 1 of this Agreement.
- Payroll Processing.** Paychex will process Client's payroll based solely on Client Information provided by Client, prepare payroll checks drawn on Client's bank account or as otherwise directed by Client in this Agreement, prepare payroll reports for each payroll processed by Client, and provide the payroll reports, checks, and/or payroll check stubs to Client for review and distribution. Paychex will prepare payroll tax returns for taxes identified on the Cash Requirements and/or Tax Payment Report and deliver to Client for the Client to review, sign, and file. Paychex will not be responsible for the remittance of payroll taxes, or other taxes, or for the filing of tax returns for Clients who elect not to receive the Taxpay service.
- Taxpay .** On or before Client's check date, Paychex will (i) process Electronic Funds Transfer (EFT) transactions for such amounts as are necessary to pay the payroll taxes that are specifically identified on the Cash Requirements and/or Tax Payment Report; (ii) hold such amounts in a separate account until such time as these amounts are due to the appropriate taxing authorities; and (iii) prepare, sign, and file with proper taxing authorities all returns for such taxes on an ongoing basis. Paychex is not responsible for the payment of taxes or the filing of returns prior to the Taxpay Service Effective Date or for payroll taxes which Paychex did not collect from Client. **SUI Support Service:** Paychex will provide Client with telephone support with state unemployment insurance claims, benefit charge questions, and pre-hearing preparation.
- Direct Deposit.** Paychex will process EFT transactions, one or more banking days prior to Client's check date, for such amounts as are necessary to pay Client's employees. Such amounts are to be held in an account established by Paychex until Client's check date, when funds will be deposited to employee accounts as specified. Certain accounts may have restrictions on deposits and withdrawals. Client employees are solely responsible for determining whether their account is suitable for direct deposit of requested EFT transactions.
- Readychex.** Paychex will (i) process EFT transactions, one or more banking days prior to Client's check date, for such amounts as are necessary to pay Client's employees; (ii) hold such amounts in an account established by Paychex until Client's check date; and (iii) draw checks payable to Client's employees on Client's check date and provide those checks to Client. Client will distribute checks on check date or thereafter. Checks distributed to employees before check date will not be honored and it will be Client's responsibility to pay the employees. If Client's employee fails to present a check for payment within six (6) months of check date ("Stale Check"), Paychex will refund the amount debited for the Stale Check back to Client minus any balances owed by Client and charge a Fee for the transfer of the Stale Check funds back to Client. Client will be solely responsible for remitting to its employee, or former employee, any amounts due and following any state unclaimed property laws in regards to outstanding employee funds. In the event that a Readychex check is lost, stolen, destroyed, or otherwise not able to be cashed ("Voidable Readychex") Client agrees to notify Paychex immediately and request the check to be voided. Client agrees to return any Voidable Readychex Checks for which a refund has been requested or issued if it should be ultimately found or discovered. If the voided check is cashed, negotiated, or otherwise presented for payment, and the financial institution that the Readychex check is drawn upon requires a lost/stolen check affidavit, Client agrees that Client is responsible for producing the affidavit. Readychex is not available if Client utilizes Check Signing.
- Check Signing.** Paychex will use Client's signature to create a computer-generated facsimile that will display on each of Client's payroll checks each payday. Check Signing is not available if Client utilizes Readychex.
- Check Insertion.** Paychex will insert Client's signed checks into individual employee envelopes that will be sealed and returned to Client.
- Check Logo Service.** Paychex will use Client's logo to create a computer-generated facsimile that will display on each of Client's payroll checks. Client warrants that Client is the owner of any logo it authorizes Paychex to use, has full right and authority to use it on its payroll checks, and that such use does not violate any other party's rights.
- General Ledger Service.** Paychex will provide reporting of Client's payroll-related general ledger and make it available for Client from a secure Internet site for downloading into their specific third-party accounting software package.
- General Ledger Custom Interface.** For Client's using the General Ledger Service, with each payroll processed, Client's general ledger reports will be integrated with specific third-party accounting software packages and provided to Client. Client acknowledges that General Ledger Custom Interface is performed by a third-party vendor.

State Unemployment Insurance Service (SUIS). Paychex will provide the following services relating to unemployment insurance: claim and appeal processing, pre-hearing preparation, analytical review of voluntary contributions, and charge statement balancing. Client agrees to complete applicable Power of Attorney and Record of Address forms where needed. For an additional Fee, Client can request and authorize Paychex to appear and represent Client by telephone at any unemployment insurance hearing for a specified employee ("SUI Representation Service"), provided the state in which the hearing is being held will allow such representation. The SUI Representation Service will be performed only for any unemployment insurance hearing regarding the specified employee. By representing Client at any unemployment insurance hearing for the specified employee, Paychex is not acting as Client's attorney nor will Paychex provide Client legal advice. Paychex does not guarantee the outcome of the hearing. Paychex expressly reserves the right to decline the Client's request to represent Client at the unemployment insurance hearing. Client expressly agrees that the SUI Representation Service will be performed pursuant, and subject to, the terms of the Agreement. Upon termination of the SUI Service, Client will notify their state unemployment agency and remove Paychex as their agent of record. Following termination, Paychex will not forward any unemployment notices or communications it receives from a state unemployment agency to Client and Client will be solely responsible for responding to any unemployment notices and hearings. Paychex will not be liable for Client's failure to timely respond to notices received by Paychex following termination of the SUI Service.

Workers' Compensation Report Service. Paychex will provide Client a monthly report with the calculated workers' compensation premium amounts consisting of the payroll wages and workers' compensation premiums in each class code for each payroll processed by Client ("Report"). Additional Reports may be purchased for an additional fee. The Service does not include the sale of workers' compensation insurance coverage ("Coverage") and is not proof of Coverage. Client is solely responsible for obtaining and maintaining any required Coverage.

Garnishment Payment Service. Paychex will process EFT transactions, one banking day prior to Client's check date, for Client's employees' garnished wages as are necessary to remit to the appropriate entities. Client will provide Paychex with a garnishment order for each employee for whom wages are to be garnished. Paychex will hold garnished wages in a separate account established by Paychex until such time as the amounts are due. Client remains solely responsible for the correct calculation of the amount to garnish from its employees' wages.

Time Off Accrual Service (TOA). Paychex will provide a tracking and reporting service for employee-accrued benefits, such as employee-paid time off, based on Client Information provided by Client each pay period. Paychex will also display up-to-date paid-time-off totals on each of Client's payroll checks each payday.

Labor Distribution. Paychex will create a detailed report displaying the distribution of payroll expenses for each pay period by accounting codes identified by Client. The report will be available after each payroll is processed and is based on Client Information.

Job Costing. Paychex will create a detailed report displaying the distribution of payroll expenses for each pay period by job categories identified by Client. The report will be available after each payroll is processed and is based on Client Information.

Labor Posters. Paychex will provide one hardcopy state and federal labor poster kit to Client for each state in which Client pays employees ("Poster Kit") and hardcopy updates to the Poster Kit. Paychex will also provide access to Poster Kits on the Library for download by Client at no additional charge. Client will be solely responsible for downloading the Poster Kit and any updates from the Library (if Client elects not to receive a hardcopy Poster Kit) and the timeliness of posting all posters and Additional Posters, including any updates thereto. Client acknowledges that additional Posters may be required for (i) specific industries; (ii) clients who are federal contractors or pursuant to municipal ordinances (collectively the "Additional Posters"); or (iii) for other reasons. Client is solely responsible for obtaining any Additional Posters which are required by local, state, or federal law and not found in the Posters provided by Paychex. Client is solely responsible for displaying all required Posters and Additional Posters as required by applicable law.

Employee Access Online (EAO). Paychex will provide Client with a self-service, Internet-based Web site ("Employee Access Online") that gives Client's employees access to their payroll information. Client acknowledges that it has full control over the level of access granted to its employees. Client agrees and acknowledges that Employee Access Online and its contents are not intended, and should not be construed, as providing legal or financial advice and that Paychex is not acting in a fiduciary capacity on behalf of Client or Client's employees. Client further acknowledges and agrees that it is responsible for the accuracy and incorporation of any changes made to Client's data by or on behalf of Client's employees, including advising Paychex of any changes in taxability that may result. Client authorizes Paychex to access Client's Employee Access Online to perform administrative functions as necessary to provide this Service.

HR Online. Paychex will provide Paychex HR Online, an Internet-based human resource information system. Paychex grants Client a royalty-free, nonexclusive, nontransferable license ("HR Online License") to use all computer programs and related documentation (collectively "Paychex HR Online Software") from the Web server location of Paychex' choice. Client agrees and acknowledges that the Paychex HR Online Software and its contents are not intended, and should not be construed, as providing legal or financial advice and that Paychex is not acting in a fiduciary capacity on behalf of Client or Client's employees. Client further authorizes Paychex to access Client's HR Online account to perform administrative functions as necessary to provide this service.

ExpenseWire. Paychex will provide Client with a hosted employee expense reimbursement system which allows Client to manage the reimbursement of employee expenses. Client understands that reimbursements may be paid, at Client's election, via one or both of the following options: (i) through the Client's existing processes that are external to the ExpenseWire application, or (ii) separate from payroll, through an EFT. Client Data includes but is not limited to all documentation and information that Paychex requires to perform its responsibilities under the Agreement, including cardholder data. Paychex acknowledges that it is responsible for the security of all cardholder data that it obtains or otherwise stores, possesses, or transmits on behalf of Client under this Agreement. Clients electing to reimburse through EFT, separate from payroll, acknowledge that there is an additional fee for each EFT. Client acknowledges that there is no reconciliation of reimbursement data between Preview®/Paychex FlexSM and ExpenseWire.

Paychex Flex Time. Paychex will provide Client (i) the right to access and use Paychex' Internet-based time and attendance solution called Paychex Flex Time used for recording hours worked (the "Application") via Paychex' product website ("Website"), (ii) electronic data collection terminal(s) ("Time Clock") leased or purchased from Paychex, and (iii) all installed Paychex time and attendance software ("Time Clock Software"), and (iv) performance of support and maintenance services described below (collectively "Services for Paychex Flex Time"), pursuant to an Order Form submitted by Client and accepted by Paychex. The term Application will be deemed to include the Time Clock Software.

The Services for Paychex Flex Time under this Agreement are only required when the Time Clock and Application are operated by Client according to the User Manual and in an environment that meets the minimum requirements. The support provided by Paychex consists of the following:

1. **Hardware.** Covered equipment includes Leased Equipment and, subject to the provisions of paragraph b. below, equipment purchased from Paychex, but excludes the accessories purchased by Client. In the case of covered hardware failure, Client must notify Paychex.
 - a. **Leased Equipment.** If replacement of Leased Equipment is required, replacement equipment will be shipped. All service, labor, and ground shipping charges are covered by Client's monthly payments. Upon receipt of replacement equipment, the Client is required to ship all faulty items to Paychex within five (5) business days of receipt of the replacement equipment. In the event of damage to any of Paychex' Leased Equipment as a result of Client's, its employees', or its agents' acts or omissions, or if Client fails to return Paychex' Leased Equipment as provided above, Client agrees to pay for all necessary repairs or replacement.
 - b. **Purchased Equipment.** Client must execute the separate Paychex FlexSM Time Maintenance Agreement and pay an additional fee in order to receive the hardware support and maintenance services for purchased equipment.
2. **Telephone Support.** Unlimited telephone calls will be accepted Monday through Friday from 8:00 a.m. to 8:00 p.m. ET
 - A. Pursuant to the Order Form for Paychex Flex Time, the terms of which are incorporated herein, Client agrees to make Fee payments for (i) the Services; and (ii) any Leased Equipment. If Client is purchasing equipment, Client must pay the applicable purchase price set forth on the Order Form. The Fee for the Leased Equipment includes support and maintenance Services. Following Client's receipt of the Time Clock(s) and the completion of Application training by Paychex, Paychex will invoice Client monthly for the Fees shown on the Order Form for Paychex Flex Time.
 - B. **Leased Equipment.** In the event that Client leases Time Clocks and/or other equipment from Paychex ("Leased Equipment") Client agrees that (i) Leased Equipment is the sole and exclusive property of Paychex; (ii) Client has no right, title, or interest in any Leased Equipment except as stated in this Agreement; (iii) Client cannot transfer, sell, or in any way encumber Leased Equipment; (iv) Leased Equipment is not a fixture; (v) Client will not allow any other party to file any lien or security interest on Leased Equipment; and (vi) this Agreement does not cover damage to Leased Equipment from or related to fire, flood, lightning or sudden accidental events, theft, misuse or abuse, or modification or servicing of the covered Leased Equipment by Client or any other third party. Upon demand by Paychex, Client agrees to deliver to Paychex any and all financing statements under the Uniform Commercial Code and any other documents Paychex demands to protect or record Paychex' interest in the Leased Equipment. If permitted by applicable law, Paychex may file any such documents or instruments signed only by Paychex.
 - C. Client agrees not to damage Paychex' Leased Equipment and to return it in the original condition, normal wear and tear excepted, upon termination of the Agreement or as otherwise required. Upon termination, Client is required to (i) complete termination paperwork provided by Paychex, and (ii) cease use of the Application and return all Leased Equipment (Time Clocks, adaptors, power supplies, CDs, etc.) to Paychex within ten (10) business days. Client is in default of this Agreement if it (i) allows damage to, or fails to return Paychex' Leased Equipment, or (ii) violates any limitations or restrictions on its right to use the Application. If Client fails to return the Leased Equipment in the time required, or damages it beyond normal wear and tear, Client will be charged a fee of \$750 per terminal. Termination of this Agreement shall not relieve Client of any obligations herein, including its payment and return obligations.
 - D. **License and Software.** Paychex grants Client a royalty-free, nonexclusive, nontransferable license ("Application License") to use the Application from the Web server location chosen by Paychex. Client may only use the Application in accordance with the terms of this Agreement. Access to the Application will end upon termination of this Agreement, and Client agrees that ownership of all rights in and to the Application remain the sole and exclusive property of Paychex.

- E. Client agrees that it shall be solely responsible for compliance with all applicable laws in connection with use of the Application and any Leased Equipment or equipment purchased from Paychex including, without limitation, state and federal wage and hour laws and regulations and laws relating to collection, storage and use of biometric information. Client agrees that the Services and Software are not intended, and should not be construed, as providing legal or financial advice and that Paychex is not acting in a fiduciary capacity on behalf of Client or Client's employees.
- F. Client agrees that Paychex may require access to Client's Online Account (as defined in Section 18 hereof) to assist in configuration, provide ongoing support, and perform administrative functions necessary to provide the Services for Paychex Flex Time, and Client hereby consents to such access by Paychex.
- G. **Refund of Paychex Flex Time.** No refunds will be given after the Service Effective Date, except that Paychex may issue a refund to Client if Client requests the refund in writing within thirty (30) days of receiving their purchased equipment.
- H. **Disclaimer of Warranty.** With regard to any Leased Equipment and Time Clock Software rented, leased, or sold, and all Services provided, Paychex hereby disclaims any and all warranties, and makes no representation or warranty of any kind, whether express or implied, including any warranties as to the condition, quality, value, suitability, durability, operability, or any other matter. Without limiting the general nature of this disclaimer, Paychex disclaims any and all warranties concerning the merchantability or fitness for a particular purpose of any equipment leased or sold and all equipment is expressly provided "as is".

Time and Labor Online (TLO). Paychex will provide Paychex Time and Labor Online services, an Internet-based time and attendance system used for collecting time and earnings, and for clients using Payroll Services under this Agreement, importing into payroll software. This section of the Agreement shall cover the provision of electronic data collection terminal(s) ("Time Clock") leased or purchased from Paychex, and all installed Paychex time and attendance software ("Time Clock Software"), and performance of support services described below (collectively "TLO Services"). Paychex may require access to Client's computer systems and/or Client's TLO account to assist in configuration, provide ongoing support, and perform administrative functions necessary to provide the TLO Service and Client consents to and authorizes such access. The TLO Services under this Agreement are only required when the Time Clock and Time Clock Software are installed and operated by Client according to the User Manual and in an environment that meets the minimum requirements. The support provided by Paychex consists of the following:

1. **Hardware.** Covered equipment includes the Leased Equipment from Paychex, but excludes the accessories purchased by Client. In the case of covered hardware failure, Client must notify Paychex. If replacement of Leased Equipment is required, replacement equipment will be shipped. All service, labor, and ground shipping charges are covered by Client's monthly payments. Upon receipt of replacement equipment, the Client is required to ship all faulty items to Paychex within five (5) business days of receipt of the replacement equipment. In the event of damage to any of Paychex' Leased Equipment as a result of Client's, its employees', or its agents' acts or omissions, or if Client fails to return Paychex' Leased Equipment as provided above, Client agrees to pay for all necessary repairs or replacement. For an additional fee, Paychex will provide support of purchased equipment as set forth in the Paychex® Time and Labor Online Maintenance Agreement. Client must execute the separate Time and Labor Online Maintenance Agreement in order to receive the support services for purchased equipment.
 2. **Telephone Support.** Unlimited telephone calls will be accepted Monday through Friday from 8:00 a.m. to 8:00 p.m. ET.
- A. **TLO License and Software.** Paychex grants Client a royalty-free, nonexclusive, nontransferable license ("TLO License") to use all computer programs and related documentation (collectively "TLO Software") from the Web server location chosen by Paychex. Client may only use the TLO Software in accordance with the terms of this Agreement. Access to the TLO Software will end upon termination of this Agreement, and Client agrees that all TLO Software rights remain the sole and exclusive property of Paychex.
- B. **TLO Leased Equipment.** In the event that Client leases Time Clocks and/or other equipment from Paychex ("Leased Equipment") Client agrees that (i) Leased Equipment is the sole and exclusive property of Paychex; (ii) Client has no right, title, or interest in any Leased Equipment except as stated in this Agreement, (iii) Client cannot transfer, sell, or in any way encumber Leased Equipment; (iv) Leased Equipment is not a fixture, and (v) Client will not allow any other party to file any lien or security interest on Leased Equipment.
- Upon demand by Paychex, Client agrees to deliver to Paychex any and all financing statements under the Uniform Commercial Code and any other documents Paychex demands to protect or record Paychex' interest in the Leased Equipment. If permitted by applicable law, Paychex may file any such documents or instruments signed only by Paychex. Client agrees (i) not to damage the Leased Equipment, (ii) to return it in the original condition, normal wear and tear excepted, within ten (10) business days of termination of this Agreement, and (iii) complete termination paperwork provided by Paychex. Client is in default of this Agreement if it allows damage to, or fails to return Paychex' Leased Equipment. If Client fails to return the Leased Equipment in the time required, or damages the Leased Equipment beyond normal wear and tear, Client will be charged a Fee of \$750 per terminal.

- C. **Fees.** Pursuant to the Time and Labor Online Order Form, the terms of which are incorporated herein, Client agrees to make Fee payments for (i) the TLO Services; and (ii) any Leased Equipment. The Fee for the Leased Equipment includes support and maintenance services. Following Client's receipt of the Time Clock(s) and Time Clock Software, Paychex will invoice Client monthly for the Monthly Package Fee shown on the Time and Labor Online Order Form.
- D. **Compliance with Applicable Law.** Client agrees that it shall be solely responsible for compliance with all applicable laws and regulations in connection with the use of TLO (TLO Services, TLO Software, and any Leased Equipment or equipment purchased from Paychex) including, without limitation, state and federal wage and hour laws and regulations and laws relating to collection, storage and use of biometric information. Paychex will not be held liable for Client's use of any equipment or TLO Services to be provided by Paychex hereunder. Client agrees that the TLO Services and TLO Software are not intended, and should not be construed, as providing legal or financial advice and that Paychex is not acting in a fiduciary capacity on behalf of Client or Client's employees.
- E. **Disclaimer of Warranty.** With regard to any Leased Equipment and Time Clock Software rented, leased, or sold, and all TLO Services provided, Paychex hereby disclaims any and all warranties, and makes no representation or warranty of any kind, whether express or implied, including any warranties as to the condition, quality, value, suitability, durability, operability, or any other matter. Without limiting the general nature of this disclaimer, Paychex disclaims any and all warranties concerning the merchantability or fitness for a particular purpose of any equipment leased or sold and all equipment is expressly provided "as is".
- F. **TLO Refund.** No refunds will be given after the Service Effective Date, except that Paychex may issue a refund to Client if Client requests the refund in writing within thirty (30) days of receiving their purchased equipment.

Recruiting. Paychex will provide Client with an Internet-based recruiting and applicant tracking Service that provides technology to facilitate the recruiting, qualifying and tracking of applicants ("Recruiting"). The Recruiting Service may provide links to third-party Web sites. Paychex makes no representations concerning and is not responsible for, the accuracy or content of, or the ability of Client to access, Web sites of third parties. Providing a link to third-party Web sites shall not be deemed an endorsement of the linked site or of the content, products or services offered or referenced on such site. Links to third-party Web sites are provided as a convenience only, and Paychex shall have no liability in connection with any third-party Web sites or the provided links to such Web sites. Client authorizes Paychex to access Client's Recruiting account to perform administrative functions as necessary to provide this Service.

Onboarding. Paychex will provide Client with an Internet-based onboarding Service ("Onboarding") to facilitate providing information to, and receiving information from, newly hired or rehired Client employees or independent contractors ("Workers"). Client is responsible for the accuracy and completeness of the information provided for each Worker and Client acknowledges that failure to timely provide such information may result in delay in payroll processing and/or in the onboarding process. Onboarding may provide links to third-party Web sites. Paychex makes no representations concerning and is not responsible for, the accuracy or content of, or the ability of Client to access, Web sites of third parties. Providing a link to third-party Web sites shall not be deemed an endorsement of the linked site or of the content, products or services offered or referenced on such site. Links to third-party Web sites are provided as a convenience only, and Paychex shall have no liability in connection with any third-party Web sites or the provided links to such Web sites.

Data Exports. Paychex will provide Client with the ability to export Client's data using a predetermined set of reporting templates and make them available on a secure site for access by Client.

Reports On-Demand. Paychex will make Client's specified payroll reports available on-demand on a secure site for access by Client.

Report Writer. Paychex will provide Client with the ability to create custom reports of Client's data, available on a secure site for access by Client. The Data Exports functionality is included with Report Writer.

New Hire Reporting. Paychex will report all new/rehired employee information that is mandated by federal and state regulations. Client is required to provide accurate and complete information for each new/rehired employee and Client acknowledges that failure to provide such information may result in delay in reporting.

Paychex Online Reports. Paychex will make Client's payroll-related reports available on a secure site for access by Client. Client is required to provide accurate and complete information for each new/rehired employee and Client acknowledges that failure to provide such information may result in delay in reporting.

General Ledger Report. Paychex will produce a report containing all payroll-related general ledger data.

Workers' Compensation Payment Service. Paychex and/or Paychex Insurance Agency, Inc. will perform workers' compensation payment services for Client as set forth in the Paychex Workers' Compensation Payment Service Agreement. Availability of the Workers' Compensation Payment Service is dependent on insurance carrier selection and/or carrier underwriting requirements. The Service does not include the sale of workers' compensation insurance coverage ("Coverage") and is not proof of Coverage. Client is solely responsible for obtaining and maintaining any required Coverage. Client must execute a separate Paychex Workers' Compensation Payment Service Agreement in order to receive the Workers' Compensation Payment Service.

Paychex® Employee Screening Services. Client acknowledges that the Paychex Employee Screening Services are performed by a third-party vendor of Paychex. Client agrees to remit payment directly to Paychex. Client will be eligible for such program so long as: (i) Client remains a Client of Paychex; (ii) Client complies with the terms of this Agreement; and (iii) Client executes and complies with the terms of any agreement the third party vendor shall require; and (iv) the third-party agreement is not terminated for any reason. Fees for the Employee Screening Services will be as set forth in the product setup form and consist of a (i) set up fee; (ii) inspection fee and either a; (iii) monthly subscription fee (if a product type package is ordered); or (iv) monthly à la carte fees (if Client paying per screen). If Client elects the product type package plan and the Employee Screening Service is terminated prior to the completion of the product type package plan, Client agrees to pay the remaining amount due on the contract after a prorating of the screens ordered has been completed. Client agrees to pay for all screens ordered through the third-party vendor.

Background Check Service. Client acknowledges that the Background Check Service is performed by a third-party vendor of Paychex. Client will be eligible for such program so long as: (i) Client remains a Client of Paychex; (ii) Client complies with the terms of this Agreement; (iii) Client executes and complies with the terms of any agreement the third-party vendor shall require; and (iv) the third-party agreement is not terminated for any reason. Client agrees to pay Paychex a monthly subscription Fee for the Service for an annual allotment of screens. If the Service is terminated prior to Client receiving the annual allotment of screens, Client agrees to pay the remaining amount due for the annual allotment after a prorating of the screens ordered. Additional fees may apply for any other services provided by the third-party vendor and will be billed by and paid directly to the third-party vendor.

Premium Only Plan (POP). Paychex will act as Plan Service Provider for Client's POP. Paychex will provide Client with the following Plan installation documentation: (i) Basic Plan Document; (ii) Adoption Agreement; and (iii) Summary Plan Description. Client acknowledges that Client is responsible for (i) reviewing and signing the Adoption Agreement setting forth the terms and conditions of the Plan; and (ii) distributing the Summary Plan Description to Plan participants. Paychex will perform the calculations for the Key Employee Concentration Test. Client is solely responsible for all other testing. If Client has a Health Savings Account (HSA), the pretax salary reductions for Client's HSA will not be incorporated into the compliance testing results. Client will be solely responsible for any aggregate testing. Client acknowledges that if the Plan fails the testing as outlined above, the Client is responsible for correcting the failure and bringing the Plan into compliance with the applicable requirements as defined in section 125 of the Internal Revenue Code.

COBRA Administration. Paychex will perform certain federal COBRA and state continuation administrative functions for medical, dental, vision, or prescription drug coverage plans ("Eligible Plans") on Client's behalf ("COBRA Administration"). Client will notify Paychex when an employee is (i) no longer on its payroll; (ii) terminated from coverage under the Eligible Plan; or (iii) receiving a reduced level of health care coverage under the Eligible Plan; and Client will identify Eligible Plans of the employee to Paychex ("Required Notifications"). Client is solely responsible for determining if a matter is a qualifying event. Paychex will assist Client in determining if a matter is a qualifying event once Client provides Paychex with the Required Notifications. Paychex will begin COBRA Administration on Client's behalf, if required. If the qualified beneficiary subsequently elects COBRA coverage, Client shall be solely responsible for submitting the premium for the qualified beneficiary directly to the Eligible Plan insurance carrier. The qualified beneficiary will be required to pay the monthly premium directly to Paychex, and Paychex will reimburse Client the premium collected from the qualified beneficiary less an administrative Fee. Paychex receives bank credits and/or earnings ("Earnings") from the premiums received. The amount of Earnings received by Paychex will fluctuate based on the average monthly balance of the premiums multiplied by the thirty (30)-day British London Interbank Offered Rate minus forty (40) basis points. Client acknowledges that Paychex may retain such Earnings as additional compensation for COBRA Administration under this Agreement. In the absence of Earnings, Client acknowledges that the other Fees paid to Paychex under this Agreement would be greater. In the event that Paychex receives an appeal of a denial of coverage from a potential beneficiary ("COBRA Appeal") (i) Paychex will provide Client with a copy of the COBRA Appeal; and (ii) Client agrees that it has sole responsibility to review and provide Paychex written direction on how to respond to the COBRA Appeal.

HR Library. Paychex and/or its authorized third party vendor will provide a Web-based library of human resource information, on a subscription basis, limited to one subscriber per Client ("Library"). The Library is not intended as legal advice and Client is solely responsible for its use of, or reliance on, the information contained on the Library. Paychex cannot guarantee the accuracy of the information contained on the Library.

W-2 Service. Unless Client directs Paychex in writing not to provide the W-2 Service, Paychex will file Forms W-2 and W-3 with appropriate federal and state agencies and provide Client with W-2 and W-3. Client shall have the sole responsibility to distribute the W-2 to each employee pursuant to applicable law. In the event that the Services are terminated or if Client is in breach of its obligations for payment of Fees or Reimbursement Amounts, Paychex shall not be obligated to provide the W-2 Service. Additional Fees may apply.

Paychex ESR Services Addendum

Company Name City of New Richmond

Office/Client Number 0943 /

Federal ID Number 39-6005554

Client and Paychex, Inc. or Paychex Business Solutions, LLC. and each of its subsidiaries (collectively Paychex and PBS shall be referred to as "Paychex") agree to amend Client's then current Agreement¹ by adding the Employer Shared Responsibility ("ESR") Services ("ESR Services") to Client's Agreement, subject to the terms and conditions of this Addendum and the Client's Agreement. In the event Client is executing this addendum on behalf of related entities, Client shall include the Company named above and each Company listed on the Controlled Group Information Schedule which shall be incorporated and made a part of this Addendum.

1. Services. Client employs Paychex to provide the Complete Analysis and Monitoring Services and ESR End of Year Reporting Services which consists of either the File Ready Forms Service or the Direct Filing Service (collectively the "ESR Services"). Client must elect either the File Ready Forms or Direct Filing Services by checking below. In the event Client fails to select a specific End of Year Reporting Service Paychex will provide the File Ready Forms Service. The terms and conditions of the ESR Services are described in Section 2 of this Addendum.

ESR End of Year Reporting

☐ File Ready Forms.

OR

☒ Direct Filing

Paychex will not commence any of the ESR Services until Paychex receives all documents necessary to begin each of the Services and notifies Client of the date Paychex will commence each of the Services ("Service Effective Date"). Client acknowledges that each of the ESR Services may have separate Service Effective Dates and Paychex may commence performance of one (1) or more ESR Services without obligating itself to commence all ESR Services selected by Client. **Until the ESR Services Effective Date, Client shall continue to provide for itself the ESR Services requested of Paychex. Paychex assumes no responsibility for ESR Services prior to the ESR Services Effective Date.**

2. ESR Services Product Terms and Conditions. Client acknowledges and understands that, to the extent that it is an entity that is treated as a single employer under Internal Revenue Code (IRC) section 414(b), (c), (m), or (o) ("Controlled Group"), the parent entity of the Client's Controlled Group will receive ESR reporting which includes all of the reporting Paychex provides Client as part of the ESR Services if the parent company elects to receive the ESR Services.

2.1 ESR Complete Analysis and Monitoring Services. If Client selects ESR Complete Analysis and Monitoring Services, Client authorizes and directs Paychex to perform the ESR Services set forth below. **Paychex is not rendering legal or financial advice in connection with the ESR Services nor shall Paychex be deemed a fiduciary of Client or the employer or co-employer of Client's employees for purposes of providing the ESR Services.** Paychex shall not be responsible for Client's compliance with federal, state, or local statutes, regulations, or ordinances. The ESR Complete Analysis and Monitoring Services consist of the Services set forth below.

2.1.1 Applicable Large Employer Analysis and Monitoring. Paychex will (i) provide Client an estimated calculation of the number of full-time employees and full-time equivalent employees (FTEs) each month in a format which Client can manipulate; and (ii) calculate whether Client is an applicable large employer as of the date of the calculation. Client acknowledges that the report provided is subject to the information provided by Client and may require additional input to finalize the calculation of whether Client is an applicable large employer.

2.1.2 Full-Time Employee Analysis and Monitoring. Paychex will provide Client reporting that monitors all current and new employees within Client's selected measurement, administrative, and stability periods and calculate whether an employee is a full-time employee.

2.1.3 Coverage Adequacy Analysis and Monitoring. Paychex will provide Client reporting to assist Client in determining the adequacy of the health coverage Client is offering to its employees. The reporting will evaluate whether Client's health insurance is providing minimum essential coverage, is of a minimum actuarial value and is affordable as set forth in the then current Employer Shared Responsibility regulations. The Coverage Adequacy Analysis and Monitoring Service is available only to clients of Paychex Business Solutions, LLC. who are on the PBS Sponsored benefit plan and Clients who have purchased group health insurance through Paychex Insurance Agency, Inc.

2.2 ESR End of Year Reporting Services. Paychex will (i) provide Client reporting that monitors full time employee status and coverage offered information for each employee active during the current calendar year; and (ii) estimate how many full time employees Client will be required to furnish 1095-C form information. Client acknowledges that the report provided is subject to the information provided by Client and may require additional input to finalize the calculations of employee status and information related to coverage offered. Paychex will evaluate full calendar year information and provide Client reporting that communicates potential errors and omissions that may hinder Paychex ability to assist in filing 1094-C and 1095-C form information. Client authorizes and directs Paychex to provide either the File Ready Form Services or the Direct Filing Services checked above pursuant to IRC Section 6056 for reporting information related to health insurance coverage offered under employer-sponsored plans. Paychex shall not be responsible for Client's compliance with federal, state, or local statutes, regulations, or ordinances. In the event Client fails to select a specific reporting service Paychex will provide the File Ready Form Service.

2.2.1 **File Ready Forms.** Paychex will provide Client a form 1094-C for the employer filing and 1095-C for each individual considered a full time employee under IRC section 4980H;

OR

2.2.2 **Direct Filing.** Paychex will prepare and (i) file form 1094-C for Client; (ii) file form 1095-C for each individual considered a full time employee under IRC section 4980H with the proper taxing authorities. Paychex is not responsible for the payment of penalties or the filing of returns prior to the ESR End of the Year Reporting Services Effective Date.

Notwithstanding the above, Client acknowledges and understands that to the extent it fails to furnish complete calendar year information, Paychex will be precluded from fulfilling its obligations as contracted for herein. In such case, Paychex will notify client of its inability to perform and Client shall assume responsibility for completing and timely filing its forms. No fees will be refunded. Paychex will provide Client access to all information Client had provided. Additionally, should the services terminate prior to the end of a calendar year, Paychex will not complete forms 1094-C or 1095-C, but will provide Client access to its information for a period of six (6) months after termination. Should client require information after this time frame, Paychex may, in its sole discretion, apply an information retrieval fee at its then current rate.

3. Fees and Electronic Funds Transfer.

- 3.1 **Fees.** Client will pay all applicable fees for the ESR Services ("Fees"), unless otherwise included in their Agreement's Fees, through an Electronic Funds Transfer (EFT), or such other payment method as required by Paychex when due. Paychex' Fees are subject to change upon thirty (30) days written notification to Client.
- 3.2 **Electronic Funds Transfer.** If Paychex requires payment of Fees through an EFT, Client will execute all documentation needed by Paychex to originate EFT transactions. Client authorizes Paychex to collect all Fees from Client's bank account on the date that an EFT to collect the Fees is presented ("Funding Deadline"). Client agrees that the funds representing the Fees will be on deposit in Client's bank account in collectible form and in sufficient amount on the Funding Deadline. All EFTs are performed in compliance with the National Automated Clearing House Association operating rules ("NACHA"). Client agrees (i) to follow NACHA as they are amended from time-to-time and assumes the responsibilities of an initiator of EFTs; (ii) that it will not initiate any EFT that violates any law; and (iii) that Paychex may identify Client to banks involved in the EFT.

By signing this Addendum (Rev. 3/15), Client warrants that it possesses full power and authority to enter into this Addendum to its Agreement and the Agreements of each Company listed on the Controlled Group Information Schedule to this Addendum, and has read and agrees to the terms and conditions listed in this Addendum as set forth in Sections 1-3 and the Controlled Group Information Schedule if applicable. This Addendum shall supersede any previous Paychex ESR Services Addendum. The person signing below as the Client's representative warrants, as an individual, that he or she is the Client's representative authorized to sign this Addendum for the Company listed above and each Company listed on the Controlled Group Information Schedule to this Addendum and that his or her signature is genuine.

¹ Agreement shall refer to the then current service agreement between (i) Paychex, Inc., ("Paychex"), located in, Rochester, New York and the Company identified on the Paychex Service Agreement for the provision of payroll, Taxpay®, Readyhex®, human resource or insurance administration services; or (ii) Paychex Business Solutions, LLC. and its affiliated and subsidiary companies located in Saint Petersburg, Florida and the Client identified on the PBS Agreement. Collectively the Paychex and PBS Agreements shall be referred to as the "Agreement".

Authorized Officer Name

Kari Kraft

Title

Officer Operations Mana...

Authorized Officer's Signature

Date

EMPLOYER POWER OF ATTORNEY ASSIGNMENT

Department of Workforce Development
Unemployment Insurance
P.O. Box 7942
Madison, WI 63707

Be Aware That:

City of New Richmond, 692257-000-7, 39-6005554
(Employer Name) (UI Account #) (FEIN #)

having its main office located at 156 East First St New Richmond, WI 54017
(Street Address. City. State and Zip Code)

(715)246-4268 appoints Paychex, Inc.
(Telephone Number (Include Area Code)) (Name of Representing Company)

located at PO Box 2000 Henrietta, NY 14467-2000, (585) 336-7600
(Street Address, City. State and Zip Code) (Telephone Number (Include Area Code))

as its attorney or representative with full power to represent the employer before the Wisconsin Division of Unemployment Insurance. This representation applies to all matters affecting unemployment insurance including, although not limited to, all benefit claims, contributions, refunds, experience rating, hearings and appeals.

The employer further understands the Wisconsin Division of Unemployment Insurance maintains three (3) separate and distinct mailing groups* which include:

Group I	UCB-16	Separation Notice
	UCB-23	Eligibility Report
	UCB-20	Initial Determination
Group II	UCT-14384-1-E	Unemployment Compensation Benefit Charges and Adjustments
Group III	UCB-719	Urgent Request for Wages
	UCB-701	Computation of Unemployment Insurance Benefits
	UCB-708	Notice of Changed Liability for UI Benefits
	UCT-101-E	Quarterly Contribution Report
	UCT-14384-E	Unemployment Insurance Reserve Fund Balance Statement
	UC-7823-E	Quarterly Wage Reports
	UCT-14309-E	Reimbursable Employer Monthly Statement

The employer authorizes group(s) I II III to be mailed to the representative's address listed above.
(List Group Number(s))

The remaining group(s) _____ will be mailed to the employer's main office.
(List Group Number(s))

By the signatures below, the employer known as City of New Richmond
(Employer Name)

approves the above directions and voluntarily enters into this designation on _____
(Date - mo/day/yyyy)

at which time this assignment is effective and takes place of all previous assignments.

Authorized Signature: _____
(Date Signed-mo/day/yyyy)

Printed Name & Title: Kari Kraft Officer Operations Manager
(Print Name) (Job Title)

Witnessed by: _____
(Witness's Signature) (Date Signed-mo/day/yyyy)

Printed Name & Title: _____
(Print Name) (Job Title)



Department of Workforce Development
Unemployment Insurance
Employer Power of Attorney Designation

Be Advised That:

City of New Richmond (the employer), U.C. Account No. 692257-000-7,
having its principle office located at 156 East First St New Richmond, WI 54017

(Street Address, City, State and Zip Code)

(715)246-4268 appoints Paychex, Inc.
(Telephone Number (Include Area Code) (Name of Representing Company)
located at 1175 John Street West Henrietta, NY 14586
(Street Address, City, State and Zip Code)

as its attorney with limited power to represent the employer before the Wisconsin Unemployment Compensation Division. This representation applies to all matters affecting unemployment compensation including, although not limited to, all benefit claims, contributions, refunds, experience rating, hearings and appeals.

The employer further recognizes that the Wisconsin Unemployment Compensation Division maintains three (3) separate and distinct mailing groups which include, although are not limited to:

Group I	UCB-16	Separation Notice
	UCB-23	Eligibility Report
	UCB-20	Initial Determination
Group II	UCB-7074	Unemployment Compensation Benefit Charges and Adjustments Report
Group III	UCB-719	Urgent Request for Wages
	UCB-701	Computation of Unemployment Compensation Benefits
	UCB-708	Notice of Changed Liability for U.C. Benefits
	UCT-101	Quarterly Contribution Report
	UC-101A	Quarterly Contribution/Wage Report
	UCT-102	Statement of Employer's Account
	UC-7823	Quarterly Wage Report

The employer authorizes Group(s) None to be mailed to the named attorney's above-listed address

(List Group Number(s))

and the remaining group(s) group I, II, and III to be mailed to its (employer's) principle office.

(List Group Number(s))

This designation takes effect on _____ and supersedes all previous designations.


(Date- mo/day/yr)

By the signatures below, the employer known as _____

Approves the above directions and voluntarily enters into this designation on _____


(Date - mo/day/yr)

Employer Name: City of New Richmond

Authorized Signature: 

Date Signed-mo/day/yr)

Title: Officer Operations Manager

Witnessed by: 

Date Signed-mo/day/yr)

Title: _____

UCB-8291

TP0020 1/07

New Richmond Police Department

Memo

To: Mayor Horne
City Council Members

From: Mark Samelstad/Chief

CC: file

Date: 10/9/2015

Re: Squad Bids

Sealed bids for the replacement of three (3) Police Department vehicles (two fully equipment marked squads and a Mini Van) were received today (10-9-2015) and were opened at 10:10 am.

Cox Motors bid on the replacement of the two marked Squads. They did not bid on the Mini Van.

Bernards bid on all three vehicles. Bernards bid on the replacement of the two marked squads, bidding on 215 and 2016 (both brand new vehicles)

Bernards Bid for a 2016 Dodge Grand Caravan SE Front Wheel Drive Minivan\$22,295.00

Minus trade-in.....\$1,600.00

Total.....\$20,695.00

Bernards Bid for two (2) 2015 Dodge Durango Special Service AWD Sport Utility Vehicle:

.....\$34,875.00

Minus trade-in of 2012 Dodge Durango\$10,500.00

Total.....\$24,375.00

Minus trade-in of 2014 Dodge Durango.....\$12,500.00

Total.....\$22,375.00

Total Bid (2 squads).....\$46,750.00

Bernards Bid for two (2) 2016 Dodge Durango Special Service AWD Sport Utility Vehicle:

.....\$35,185.00

Minus trade-in of 2012 Dodge Durango\$10,000.00

Total.....\$25,185.00

Minus trade-in of 2014 Dodge Durango.....\$12,000.00

Total.....\$23,185.00

Total Bid (2 squads).....\$48,370.00

Cox Motors Bid for two (2) 2016 Ford Explorer Utility Police Interceptor Vehicles:.....\$36,959.00

Minus trade-in of 2012 Dodge Durango\$10,000.00

Total.....\$26,959.00

Minus trade-in of 2014 Dodge Durango.....\$11,000.00

Total.....\$25,959.00

Total Bid (2 squads).....\$52,910.00

Police Department in the same condition until delivery to the buyer/dealer in the purchase transaction, except estimates of additional mileage and normal age and wear.

11. PRICE QUOTE DATA:

All price quote information shall become the property of the City of New Richmond and after approved by the City Council, may become open public record for anyone to review that record under Wisconsin Open Records laws.

12. CITY RIGHTS OF ACCEPTANCE/RE-NEGOTIATIONS:

The City of New Richmond reserves the right to review, accept and/or reject all price quotes based on compliance with specifications, costs quoted, delivery dates, warranty and service to be provided and/or other factors which directly affect economical and efficient provision of police services.

The City of New Richmond further reserves the right to re-negotiate price or conditions upon dealer failure to reasonably deliver equipment on the time schedule as indicated and/or in non-compliance with the specifications agreed upon at the time of order for purchase. It is understood by all parties that this re-negotiation could include cancellation of the order.

SPECIFICATIONS AND PRICE QUOTE:

Any vehicle quoted must include full car warranty coverage.

The New Richmond Police Department requests price quotes on:

Two (2) 2016 Police Special Service Patrol Vehicle, four wheel drive SUV (Sport Utility Vehicle), V6 engine, 4-door vehicle that meet or exceed the attached minimum specifications. The vehicle must be delivered prior to February 29, 2016.

All Bids must be submitted to the Chief of Police no later than 10:00 a.m. October 9th 2015.

State Vehicle Make: 2016 Ford
State Vehicle Model: Explorer Utility Police Interceptor. AWD

Offer For Trade-In of (1) 2012 Dodge Durango (Squad # 17) \$ 10,000.00
(1) 2014 Dodge Durango (Squad # 20) \$ 11,000.00

STANDARD PRICE PER VEHICLE \$ 36,959.00

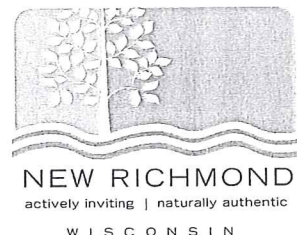
TOTAL COST PER VEHICLE \$ 36,959 minus trade in

AGENCY/DEALERSHIP Cox Motors

Signature [Signature] Date 10-8-15



New Richmond Police Department
156 East First Street
New Richmond Wisconsin 54017
(715) 246-6667 Office (715) 246-4370 Fax



Mark W. Samelstad
Chief of Police

September 15th, 2015

TO: ALL AUTOMOBILE DEALERS RE: BID FOR Two, 2016 Police Special Service Patrol Vehicle –
4 wheel drive V6 engine, Sport Utility Vehicle (SUV)

The City of New Richmond will open bids for a four wheel drive Police Special Service Patrol Vehicle – 4 wheel drive V6 engine, Sport Utility Vehicle (Black & White Color Scheme) at 10:00 AM on Friday October 7th 2015 in the Chief of Police's Office located at 1443 Campus Drive, New Richmond WI. All bids must be submitted on this form, copy thereof, and must comply with the following minimum specifications.

The NEW RICHMOND CITY COUNCIL RESERVES THE RIGHT TO:(1) ACCEPT OR REJECT ANY OR ALL BIDS. (2) ACCEPT THE BID MOST ADVANTAGEOUS TO THE CITY OF NEW RICHMOND.

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
1-Model	New 2016	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
37L V6- 2-Performance	Meet State Police specifications for top speed, handling, acceleration and braking, and pass all aspects that certify that this is a police pursuit vehicle.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
6-speed 3-Transmission	4 or 5 speed electronically controlled automatic transmission with overdrive	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
4-Limited Slip Rear Axle		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5-Suspension System	Maximum police handling package to include heavy duty front and rear springs, shocks and stabilizer bars	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
6-Power Steering with Tilt		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
7 - ABS Brakes	4 wheel ABS (anti-lock) brakes	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
8 - Cooling System	Maximum size available	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
220 AMP- 9 - Heavy- Duty Alternator	Maximum size available	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
19.6 - 10 - Gas Tank	Maximum size available	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
750CCA 11 - Battery	Maximum CCA available for police use	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
12 - Horn	Mounted under the hood	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
13 - Tires	Five (5) all season speed rated with metal valve stem caps with spare tire mounted in cargo area or under vehicle	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
14 - Center Hub Wheel Covers	(Not full size wheel covers)	<input checked="" type="radio"/> YES <input type="radio"/> NO
15 - Radio Noise Suppression Kit		<input checked="" type="radio"/> YES <input type="radio"/> NO
16 - Electrical or Computer Systems Interference	The vehicle shall not interfere with signals received or transmitted by the mobile police radio system nor shall the vehicle be affected by the operation of a police mobile transmitter. The vendor and manufacturer will be held responsible for correcting problems arising from two-way radio interference with vehicle systems	<input checked="" type="radio"/> YES <input type="radio"/> NO
17 - Seats	Heavy-duty foam rubber and cloth front bucket seats. Vinyl rear seats. Power driver's seat	<input checked="" type="radio"/> YES <input type="radio"/> NO
18 - Air Bag	Driver and passenger side	<input checked="" type="radio"/> YES <input type="radio"/> NO
19 - Speedometer	Certified for accuracy	<input checked="" type="radio"/> YES <input type="radio"/> NO
20 - Air Conditioning Gauges	Dash mounted full instrumentation to include tachometer (if standard), trip odometer, water temperature and fuel gauges	<input checked="" type="radio"/> YES <input type="radio"/> NO
21 - Cruise Control		<input checked="" type="radio"/> YES <input type="radio"/> NO
22 - Digital Clock		<input checked="" type="radio"/> YES <input type="radio"/> NO
23 - Interior Lights	Dome lights (or courtesy lights) should <u>NOT</u> be wired to turn on automatically when the vehicle's doors are opened. Dome lights must be controlled by the headlight switch. A second dome lights (in addition to the standard dome light) must be mounted in center, immediately above the windshield between the visors and must be turned on and off by a switch on the fixture. An additional dome light mounted above center of cargo area, operated by switch on light fixture.	<input checked="" type="radio"/> YES <input type="radio"/> NO
24 - Radio	Factory installed AM-FM stereo with speakers wired	<input checked="" type="radio"/> YES <input type="radio"/> NO
25 - Locks/ Keys	One key used to operate doors, ignition and trunk.	<input checked="" type="radio"/> YES <input type="radio"/> NO
26 - Paint Color	* Four keys to be supplied Black & White Color Scheme(pattern to be determined) <i>IN THIS ORDER IS a white wrap with reflective POLICE \$694</i>	<input checked="" type="radio"/> YES <input type="radio"/> NO
27 - Rear Window Defroster	Electric Grid Type	<input checked="" type="radio"/> YES <input type="radio"/> NO
28 - Power and Heated Mirrors	Right and Left sides, interior day/night mirror	<input checked="" type="radio"/> YES <input type="radio"/> NO
29 - Intermittent Wipers and Electric Washers		<input checked="" type="radio"/> YES <input type="radio"/> NO
30 - Driver Side Spotlight		<input checked="" type="radio"/> YES <input type="radio"/> NO
31 - Rear Cargo	Electric device to unfasten or unlock the rear cargo door/window inside the drivers compartment	<input checked="" type="radio"/> YES <input type="radio"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
34 - Running Boards		YES NO
35 - Vinyl Flooring		YES NO
36 - Front License Plate Holder		YES NO
37 - Towing Package with Class III Hitch		YES NO
38 - Tire Pressure Monitoring System		YES NO
39 - Locking Gas Cap Via Interior Push Button		YES NO
40 - Power Adjustable Pedals		YES NO
41 - Traction Control		YES NO
42 - Hood Release (Internal)		YES NO
43 - Rear Window mounted Flashers (red & blue)		YES NO
44 - Windows Power - all tinted		YES NO
45 - Chimes & Buzzers Disconnect of all prior to delivery		YES NO
46 - License Plate Strobes (white)		YES NO
47 - Rear Door Handles Inoperative		YES NO
48 - Front Marker Lens Strobe Bulb & power supply		YES NO
49 - Rear Tail Light Strobe Bulb & power supply		YES NO
50 - Alternating Headlight Flasher Module		YES NO
51 - Alternating Headlight Flasher		YES NO
52 - Siren/Speaker & mounting Bracket Installed behind front grill		YES NO
53 - Radio Console with Computer Mounting Bracket (Panasonic Tough Book)		YES NO
54 - 100 Watt Siren Amplifier w/three tones, Air horn and P/A, plus nine function light control		YES NO
55 - Whelen Liberty LED Light Bar With alley and takedown lights		YES NO
56 - Recessed Panel Prisoner Partition w/single vertical gun lock (shotgun)		YES NO
57 - Hands free Light & Siren Controller		YES NO
58 - Three(3) 12 volt outlets		YES NO
59 - Vertical gun lock for Colt AR-15 (position to be determined)		YES NO

EPA Estimated mpg (city/highway) city 15-16 / Highway 21-22

Warranty: Specify standard new car MFG. Warranty, conditions and/or terms:

3yr / 36,000 miles bumper to bumper
5yr / 60,000 miles powertrain warranty

Service: A high level of service and priority of service is necessary with police vehicles to provide emergency services and avoid costly down-time. Please specify what priority service would be for all repairs/maintenance:

You will be put on high level of service priority. It
will be done immediately

Delivery: Planned delivery on this order will be (approximate delivery date or elapsed time from date of order)

It takes 2 months from time order is placed.

Delivery must take place before February 29th, 2016.



Mark W. Samelstad
Chief of Police

BERNARD'S



October 08, 2015

NEW RICHMOND POLICE DEPARTMENT
Attn: Mark W. Samelstad, Police Chief
1443 Campus Dr
New Richmond WI 54017

RE: "SEALED BID" – 2016 Dodge Grand Caravan SE

Dear Mark:

We are able to provide you with a quote for **one (1) 2016 Dodge Grand Caravan SE Front Wheel Drive Minivan** that will meet your minimum specifications:

<u>State of Wisconsin Secondary Bid Quote:</u>	\$ 22,295.00
Trade-In Value for 2004 Dodge Intrepid (Squad #7)	<u>(\$ 1,600.00)</u>
Total Vehicle Cost with Trade	\$ 20,695.00
	=====

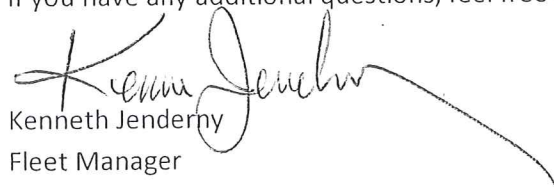
Warranty:

3 Year/36,000 Mile Bumper to Bumper (Standard)
5 Year/60,000 Mile Powertrain Coverage

Delivery:

On or prior to 12-31-15

If you have any additional questions, feel free to contact me at 715-246-2236. Thank you.


Kenneth Jenderny
Fleet Manager

Family Owned and Operated Since 1933
Sales • Service • Parts • Body Shop

510 Deere Drive • New Richmond, Wisconsin 54017 • 715-246-2236 • 800-892-4059
Fax 715-246-5666 • www.bernardsnorthtown.com • e-mail: info@bernardsnt.com



New Richmond Police Department
1443 Campus Drive
New Richmond Wisconsin 54017
(715) 246-6667 Office (715) 246-4370 Fax

Mark W. Samelstad
Chief of Police



September 15th, 2015

TO: Cox Motors
Johnson Motors
Bernard's Northtown

RE: Bid for 2016 Front Wheel Drive Mini Van

The City of New Richmond will open bids for a Front Wheel Drive Mini Van at 10:00 am on October 7th 2015 in the Chief of Police's Office located at 1443 Campus Drive, New Richmond WI.

Each bid must be submitted on this form, copy thereof, and must comply with the following minimum specifications.

THE NEW RICHMOND CITY COUNCIL RESERVES THE RIGHT TO: (1) ACCEPT OR REJECT ANY OR ALL BIDS. (2) ACCEPT THE BID MOST ADVANTAGEOUS TO THE CITY OF NEW RICHMOND.

<u>ITEMS</u>	<u>MINIMUM SPECIFICATIONS REQUIRED</u>	<u>SPECS FURNISHED</u>	
PASSENGER VEHICLE	STANDARD FRONT WHEEL DRIVE,	YES	NO
BODY STYLE	MINI VAN, W/	YES	NO
WHEEL BASE	114" - 120"	YES	NO
TRANSMISSION	ELECTRONIC 6-SPEED AUTOMATIC	YES	NO
ALTERNATOR	w/ELECTRONIC RANGE SELECT	YES	NO
BATTERY	MINIMUM 130 AMP OUTPUT	YES	NO
BRAKES	12 VOLT MINIMUM 730 AMP COLD CRANKING	YES	NO
CLOCK AND GAUGES	4 WHEEL ANTILOCK DISC	YES	NO
DOOR LOCKS	OIL, TEMPERATURE AND ALTERNATOR	YES	NO
FLOOR MATS	ELECTRIC	YES	NO
HOOD RELEASE	REMOVABLE, HEAVY DUTY RUBBER	YES	NO
INTERIOR LIGHT	INTERNAL	YES	NO
KEYS	STANDARD PACKAGE	YES	NO
MIRROR	REMOTE KEYLESS ENTRY	YES	NO
RADIO	DUAL REMOTE CONTROL, HEATED	YES	NO
REAR WINDOW DEFROSTER	AM - FM STEREO PUSH BUTTON	YES	NO
SEAT ASSEMBLY	ELECTRIC GRID TYPE	YES	NO
2 ND ROW SEATING,	SPLIT BENCH	YES	NO
3 RD ROW SEATING	BUCKET SEATS, STOW&GO, FOLD IN THE FLOOR	YES	NO
DRIVERS SEAT ASSEMBLY	STOW'N-GO, W/TAILORED SEATS	YES	NO
SPEEDOMETER	ELECTRIC ADJUSTABLE DRIVERS SEAT	YES	NO
CRUISE CONTROL	STANDARD	YES	NO
STEERING	STANDARD PACKAGE	YES	NO
STEERING WHEEL	TILT	YES	NO
SUSPENSION	STANDARD PACKAGE	YES	NO

TIRES / WHEELS	MINIMUM 15" DIAMETER W/FULL SIZED SPARE	YES	NO
TRUNK RELEASE	REMOTE - ELECTRIC	YES	NO
WINDOWS	POWER - ALL TINTED	YES	NO
WINDSHIELD WIPERS	INTERMITTENT - WINTER TYPE BLADES	YES	NO
CHIMES & BUZZERS	DISCONNECTION OF ALL PRIOR TO DELIVERY	YES	NO
AIR CONDITIONING	DUAL ZONE TEMPERATURE CONTROL	YES	NO
STABILITY	ALL SPEED TRACTION CONTROL AND BRAKE ASSIST	YES	NO
FUEL SYSTEM	FUEL ECONOMIZER BUTTON	YES	NO

Estimated Miles per Gallon (City Driving): 17 City, 25 Hwy, 20 Combined

WARRANTY: Specify standard new car Mfg. Warranty, conditions and/or terms:

3 yr / 36,000 mile Bumper to Bumper Plus 5 yr / 60,000 Powertrain,

SERVICE: A high level of service and priority of service is necessary with City vehicles to provide services and avoid costly down-time. Please specify what priority service would be provided for all repairs/maintenance CONTINUE OUR RELATIONSHIP WITH THE POLICE DEPT.

State Vehicle Make: 2016 DODGE CR. CARAVAN
State Vehicle Model: SE

STANDARD PRICE PER VEHICLE \$ 22,295.⁰⁰
OFFER FOR TRADE-IN OF (1) 2004 Dodge Intrepid Passenger Car (Squad #7) \$ -1600.⁰⁰
TOTAL COST PER VEHICLE \$ 20,695.⁰⁰

DELIVERY: Planned delivery on this order will be (approximate delivery date or elapsed time from date of order) PRIOR TO 12-31-15

Delivery must take place prior to December 31st, 2015.


Mark W. Samelstad
Chief of Police

11. PRICE QUOTE DATA:

All price quote information shall become the property of the City of New Richmond and after approved by the City Council, may become open public record for anyone to review that record under Wisconsin Open Records laws.

12. CITY RIGHTS OF ACCEPTANCE/RE-NEGOTIATIONS:

The City of New Richmond reserves the right to review, accept and/or reject all price quotes based on compliance with specifications, costs quoted, delivery dates, warranty and service to be provided and/or other factors which directly affect economical and efficient provision of police services.

The City of New Richmond further reserves the right to re-negotiate price or conditions upon dealer failure to reasonably deliver equipment on the time schedule as indicated and/or in non-compliance with the specifications agreed upon at the time of order for purchase. It is understood by all parties that this re-negotiation could include cancellation of the order.

SPECIFICATIONS AND PRICE QUOTE:

Any vehicle quoted must include full car warranty coverage.

The New Richmond Police Department requests price quotes on:

One (1), 2015, Standard Front Wheel Drive Mini Van, V6 engine, 4-door vehicle that meet or exceed the attached minimum specifications. The vehicle must be delivered prior to December 31st, 2015.

All Bids must be submitted to the Chief of Police, at the New Richmond Police Department, 1443 Campus Drive, New Richmond WI, no later than 10:00 a.m. October 7th, 2015.

State Vehicle Make: DODGE 2016 CR. CARAVAN
State Vehicle Model: SE with FULL STATION GO

STANDARD PRICE PER VEHICLE\$ 22,295.⁰⁰

OFFER FOR TRADE-IN OF (1) 2004 Dodge Intrepid Passenger Car
(Squad #7)\$ -1600.⁰⁰

TOTAL COST PER VEHICLE\$ 20,695.⁰⁰

AGENCY/DEALERSHIP Bernards Northtown Inc

Signature Kenneth Jewhy Date 10-8-15

BERNARD'S



October 8, 2015

NEW RICHMOND POLICE DEPARTMENT
Attn: Mark W. Samelstad, Police Chief
1443 Campus Dr
New Richmond WI 54017

RE: "SEALED BID" – 2015 Dodge Durango Special Service AWD

Dear Mark:

We are able to provide you with a quote for two (2) **New 2015 Dodge Durango Special Service AWD** Sport Utility Vehicle that will meet your minimum specifications:

<u>State of Wisconsin Secondary Bid Quote:</u>	\$ 27,685.00
Emergency Automotive Technologies Upgrade	\$ 7,190.00
Net Vehicle Cost Per Unit	\$ 34,875.00

Trade-In Value for 2012 Dodge Durango (Squad #17)	\$10,500.00
Trade-in Value for 2014 Dodge Durango (Squad #20).....	\$12,500.00

Warranty:

3 Year/36,000 Mile Bumper to Bumper (Standard)
5 Year/100,000 Mile Powertrain Coverage

Delivery:

60 to 90 Days Estimate from Order Placement

If you have any additional questions, feel free to contact me at 715-246-2236. Thank you.

Kenneth Jendermy
Fleet Manager

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New Richmond Police Department
156 East First Street
New Richmond Wisconsin 54017
(715) 246-6667 Office (715) 246-4370 Fax

Mark W. Samelstad
Chief of Police



September 15th, 2015

TO: ALL AUTOMOBILE DEALERS RE: BID FOR Two, 2016 Police Special Service Patrol Vehicle – 4 wheel drive V6 engine, Sport Utility Vehicle (SUV)

The City of New Richmond will open bids for a four wheel drive Police Special Service Patrol Vehicle – 4 wheel drive V6 engine, Sport Utility Vehicle (Black & White Color Scheme) at 10:00 AM on Friday October 7th 2015 in the Chief of Police's Office located at 1443 Campus Drive, New Richmond WI. All bids must be submitted on this form, copy thereof, and must comply with the following minimum specifications.

The NEW RICHMOND CITY COUNCIL RESERVES THE RIGHT TO:(1) ACCEPT OR REJECT ANY OR ALL BIDS. (2) ACCEPT THE BID MOST ADVANTAGEOUS TO THE CITY OF NEW RICHMOND.

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
1-Model	New 2016 Dodge Durango Special Service AWD	<input checked="" type="radio"/> YES <input type="radio"/> NO
2-Performance	Meet State Police specifications for top speed, handling, acceleration and braking, and pass all aspects that certify that this is a police pursuit vehicle.	<input checked="" type="radio"/> YES <input type="radio"/> NO
3-Transmission	4 or 5 speed electronically controlled automatic transmission with overdrive 8spd Automatic	<input checked="" type="radio"/> YES <input type="radio"/> NO
4-Limited Slip Rear Axle	ESP with Electronic Traction Control	<input checked="" type="radio"/> YES <input type="radio"/> NO
5-Suspension System	Maximum police handling package to include heavy duty front and rear springs, shocks and stabilizer bars	<input checked="" type="radio"/> YES <input type="radio"/> NO
6-Power Steering with Tilt		<input checked="" type="radio"/> YES <input type="radio"/> NO
7 - ABS Brakes	4 wheel ABS (anti-lock) brakes	<input checked="" type="radio"/> YES <input type="radio"/> NO
8 - Cooling System	Maximum size available	<input checked="" type="radio"/> YES <input type="radio"/> NO
9 - Heavy- Duty Alternator	Maximum size available 22 Amp.	<input checked="" type="radio"/> YES <input type="radio"/> NO
10 - Gas Tank	Maximum size available 24.6 gal	<input checked="" type="radio"/> YES <input type="radio"/> NO
11 - Battery	Maximum CCA available for police use 800AMP	<input checked="" type="radio"/> YES <input type="radio"/> NO
12 - Horn	Mounted under the hood	<input checked="" type="radio"/> YES <input type="radio"/> NO
13 - Tires	Five (5) all season speed rated with metal valve stem caps with spare tire mounted in cargo area or under vehicle (5) P265/60R18 BSW 1 ON/OFF ROAD TREAD	YES <input checked="" type="radio"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
14 - Center Hub Wheel Covers	(Not full size wheel covers)	<input checked="" type="radio"/> YES <input type="radio"/> NO
15 - Radio Noise Suppression Kit		<input checked="" type="radio"/> YES <input type="radio"/> NO
16 - Electrical or Computer Systems Interference	The vehicle shall not interfere with signals received or transmitted by the mobile police radio system nor shall the vehicle be affected by the operation of a police mobile transmitter. The vendor and manufacturer will be held responsible for correcting problems arising from two-way radio interference with vehicle systems	<input checked="" type="radio"/> YES <input type="radio"/> NO
17 - Seats	Heavy-duty foam rubber and cloth front bucket seats. Vinyl rear seats. Power driver's seat <i>*Cloth Rear Seat</i>	<input checked="" type="radio"/> YES <input type="radio"/> NO
18 - Air Bag	Driver and passenger side	<input checked="" type="radio"/> YES <input type="radio"/> NO
19 - Speedometer	Certified for accuracy	<input checked="" type="radio"/> YES <input type="radio"/> NO
20 - Air Conditioning Gauges	Dash mounted full instrumentation to include tachometer (if standard), trip odometer, water temperature and fuel gauges	<input checked="" type="radio"/> YES <input type="radio"/> NO
21 - Cruise Control		<input checked="" type="radio"/> YES <input type="radio"/> NO
22 - Digital Clock		<input checked="" type="radio"/> YES <input type="radio"/> NO
23 - Interior Lights	Dome lights (or courtesy lights) should <u>NOT</u> be wired to turn on automatically when the vehicle's doors are opened. Dome lights must be controlled by the headlight switch. A second dome lights (in addition to the standard dome light) must be mounted in center, immediately above the windshield between the visors and must be turned on and off by a switch on the fixture. An additional dome light mounted above center of cargo area, operated by switch on light fixture.	<input checked="" type="radio"/> YES <input type="radio"/> NO
24 - Radio	Factory installed AM-FM stereo with speakers wired	<input checked="" type="radio"/> YES <input type="radio"/> NO
25 - Locks/ Keys	One key used to operate doors, ignition and trunk. Four keys to be supplied	<input checked="" type="radio"/> YES <input type="radio"/> NO
26 - Paint Color	Black & White Color Scheme(pattern to be determined)	<input checked="" type="radio"/> YES <input type="radio"/> NO
27 - Rear Window Defroster	Electric Grid Type	<input checked="" type="radio"/> YES <input type="radio"/> NO
28 - Power and Heated Mirrors	Right and Left sides, interior day/night mirror	<input checked="" type="radio"/> YES <input type="radio"/> NO
29 - Intermittent Wipers and Electric Washers		<input checked="" type="radio"/> YES <input type="radio"/> NO
30 - Driver Side Spotlight		<input checked="" type="radio"/> YES <input type="radio"/> NO
31 - Rear Cargo	Electric device to unfasten or unlock the rear cargo door/window inside the drivers compartment	<input checked="" type="radio"/> YES <input type="radio"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>	
34 - Running Boards		YES	<u>NO</u>
35 - Vinyl Flooring		YES	<u>NO</u>
36 - Front License Plate Holder		<u>YES</u>	NO
37 - Towing Package with Class III Hitch		<u>YES</u>	NO
38 - Tire Pressure Monitoring System		<u>YES</u>	NO
39 - Locking Gas Cap Via Interior Push Button		<u>YES</u>	NO
40 - Power Adjustable Pedals		<u>YES</u>	<u>NO</u>
41 - Traction Control		<u>YES</u>	NO
42 - Hood Release	(Internal)	<u>YES</u>	NO
43 - Rear Window mounted Flashers (red & blue)		<u>YES</u>	NO
44 - Windows	Power - all tinted	<u>YES</u>	<u>NO</u>
45 - Chimes & Buzzers	Disconnect of all prior to delivery	<u>YES</u>	<u>NO</u>
46 - License Plate Strobes (white)		<u>YES</u>	NO
47 - Rear Door Handles Inoperative		<u>YES</u>	NO
48 - Front Marker Lens Strobe Bulb & power supply		<u>YES</u>	NO
49 - Rear Tail Light Strobe Bulb & power supply		<u>YES</u>	NO
50 - Alternating Headlight Flasher Module		<u>YES</u>	NO
51 - Alternating Headlight Flasher		<u>YES</u>	NO
52 - Siren/Speaker & mounting Bracket	Installed behind front grill	<u>YES</u>	NO
53 - Radio Console with Computer Mounting Bracket	(Panasonic Tough Book)	<u>YES</u>	NO
54 - 100 Watt Siren Amplifier	w/three tones, Air horn and P/A, plus nine function light control	<u>YES</u>	NO
55 - Whelen Liberty LED Light Bar	With alley and takedown lights	<u>YES</u>	NO
56 - Recessed Panel Prisoner Partition	w/single vertical gun lock (shotgun)	<u>YES</u>	NO
57 - Hands free Light & Siren Controller		<u>YES</u>	NO
58 - Three(3) 12 volt outlets		<u>YES</u>	NO
59 - Vertical gun lock for Colt AR-15 (position to be determined)		<u>YES</u>	NO

EPA Estimated mpg (city/highway) 17 City, 24 Hwy

Warranty: Specify standard new car MFG. Warranty, conditions and/or terms:

2015 Durango 3yr/36,000 miles, 5yr/100,000 miles powertrain
2016 Durango 3yr/36,000 miles, 5yr/60,000 miles powertrain.

Service: A high level of service and priority of service is necessary with police vehicles to provide emergency services and avoid costly down-time. Please specify what priority service would be for all repairs/maintenance:

To CONTINUE OUR Fleet Focused relationship with
the City.

Delivery: Planned delivery on this order will be (approximate delivery date or elapsed time from date of order)

2015 Durango 60-90 Day Estimate from ORDER PLACEMENT
2016 Durango 90-120 Day Estimate from ORDER PLACEMENT.

Delivery must take place before February 29th, 2016.



Mark W. Samelstad
Chief of Police

Police Department in the same condition until delivery to the buyer/dealer in the purchase transaction, except estimates of additional mileage and normal age and wear.

11. PRICE QUOTE DATA:

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12. CITY RIGHTS OF ACCEPTANCE/RE-NEGOTIATIONS:

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The City of New Richmond further reserves the right to re-negotiate price or conditions upon dealer failure to reasonably deliver equipment on the time schedule as indicated and/or in non-compliance with the specifications agreed upon at the time of order for purchase. It is understood by all parties that this re-negotiation could include cancellation of the order.

SPECIFICATIONS AND PRICE QUOTE:

Any vehicle quoted must include full car warranty coverage.

The New Richmond Police Department requests price quotes on:

Two (2) 2016 Police Special Service Patrol Vehicle, four wheel drive SUV (Sport Utility Vehicle), V6 engine, 4-door vehicle that meet or exceed the attached minimum specifications. The vehicle must be delivered prior to February 29, 2016.

All Bids must be submitted to the Chief of Police no later than 10:00 a.m. October 7th 2015.

State Vehicle Make: 2015 DODGE DURANGO
State Vehicle Model: SPECIAL SERVICE AWD.

Offer For Trade-In of (1) 2012 Dodge Durango (Squad # 17) \$ 10,500.⁰⁰
(1) 2014 Dodge Durango (Squad # 20) \$ 12,500.⁰⁰

STANDARD PRICE PER VEHICLE with...Emergency...Automatics 34,875.⁰⁰

TOTAL COST PER VEHICLE \$ _____

AGENCY/DEALERSHIP Bernards Northtown

Signature [Signature] Date 10-8-15

BERNARD'S



October 8, 2015

NEW RICHMOND POLICE DEPARTMENT
Attn: Mark W. Samelstad, Police Chief
1443 Campus Dr
New Richmond WI 54017

RE: "SEALED BID" – 2016 Dodge Durango Special Service AWD

Dear Mark:

We are able to provide you with a quote for two (2) **New 2016** Dodge Durango Special Service AWD Sport Utility Vehicle that will meet your minimum specifications:

<u>State of Wisconsin Secondary Bid Quote:</u>	\$ 27,995.00
Emergency Automotive Technologies Upgrade	\$ 7,190.00
Net Vehicle Cost Per Unit	\$ 35,185.00

Trade-In Value for 2012 Dodge Durango (Squad #17)	\$10,000.00
Trade-in Value for 2014 Dodge Durango (Squad #20).....	\$12,000.00

Warranty:

3 Year/36,000 Mile Bumper to Bumper (Standard)
5 Year/60,000 Mile Powertrain Coverage

Delivery:

90 to 120 Days Estimate from Order Placement

If you have any additional questions, feel free to contact me at 715-246-2236. Thank you.

Kenneth Jenderny
Fleet Manager

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New Richmond Police Department
156 East First Street
New Richmond Wisconsin 54017
(715) 246-6667 Office (715) 246-4370 Fax

Mark W. Samelstad
Chief of Police



September 15th, 2015

TO: ALL AUTOMOBILE DEALERS RE: BID FOR Two, 2016 Police Special Service Patrol Vehicle –
4 wheel drive V6 engine, Sport Utility Vehicle (SUV)

The City of New Richmond will open bids for a four wheel drive Police Special Service Patrol Vehicle –
4 wheel drive V6 engine, Sport Utility Vehicle (Black & White Color Scheme) at 10:00 AM on Friday
October 7th 2015 in the Chief of Police's Office located at 1443 Campus Drive, New Richmond WI.
All bids must be submitted on this form, copy thereof, and must comply with the following minimum specifications.

The NEW RICHMOND CITY COUNCIL RESERVES THE RIGHT TO: (1) ACCEPT OR REJECT ANY
OR ALL BIDS. (2) ACCEPT THE BID MOST ADVANTAGEOUS TO THE CITY OF NEW RICHMOND.

Item	Minimum Specifications Required	Specifications Furnished
1-Model	New 2016 DODGE DURANGO SPECIAL SERVICE AWD	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
2-Performance	Meet State Police specifications for top speed, handling, acceleration and braking, and pass all aspects that certify that this is a police pursuit vehicle.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
3-Transmission	4 or 5 speed electronically controlled automatic transmission with overdrive 8spd Automatic	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
4-Limited Slip Rear Axle	ESP with ELECTRONIC TRACTION CONTROL	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
5-Suspension System	Maximum police handling package to include heavy duty front and rear springs, shocks and stabilizer bars	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
6-Power Steering with Tilt		<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
7 - ABS Brakes	4 wheel ABS (anti-lock) brakes	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
8 - Cooling System	Maximum size available	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
9 - Heavy- Duty Alternator	Maximum size available 22 Amp.	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
10 - Gas Tank	Maximum size available 24.6 gal	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
11 - Battery	Maximum CCA available for police use 800AMP	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
12 - Horn	Mounted under the hood	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
13 - Tires	Five (5) all season speed rated with metal valve stem caps with spare tire mounted in cargo area or under vehicle (5) P265/60 R18 BSW 1 ON/OFF ROAD TREAD	YES <input checked="" type="checkbox"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
14 - Center Hub Wheel Covers	(Not full size wheel covers)	<input checked="" type="radio"/> YES <input type="radio"/> NO
15 - Radio Noise Suppression Kit		<input checked="" type="radio"/> YES <input type="radio"/> NO
16 - Electrical or Computer Systems Interference	The vehicle shall not interfere with signals received or transmitted by the mobile police radio system nor shall the vehicle be affected by the operation of a police mobile transmitter. The vendor and manufacturer will be held responsible for correcting problems arising from two-way radio interference with vehicle systems	<input checked="" type="radio"/> YES <input type="radio"/> NO
17 - Seats	Heavy-duty foam rubber and cloth front bucket seats. Vinyl rear seats. Power driver's seat <i>*Cloth Rear Seats</i>	<input checked="" type="radio"/> YES <input type="radio"/> NO
18 - Air Bag	Driver and passenger side	<input checked="" type="radio"/> YES <input type="radio"/> NO
19 - Speedometer	Certified for accuracy	<input checked="" type="radio"/> YES <input type="radio"/> NO
20 - Air Conditioning Gauges	Dash mounted full instrumentation to include tachometer (if standard), trip odometer, water temperature and fuel gauges	<input checked="" type="radio"/> YES <input type="radio"/> NO
21 - Cruise Control		<input checked="" type="radio"/> YES <input type="radio"/> NO
22 - Digital Clock		<input checked="" type="radio"/> YES <input type="radio"/> NO
23 - Interior Lights	Dome lights (or courtesy lights) should <u>NOT</u> be wired to turn on automatically when the vehicle's doors are opened. Dome lights must be controlled by the headlight switch. A second dome lights (in addition to the standard dome light) must be mounted in center, immediately above the windshield between the visors and must be turned on and off by a switch on the fixture. An additional dome light mounted above center of cargo area, operated by switch on light fixture.	<input checked="" type="radio"/> YES <input type="radio"/> NO
24 - Radio	Factory installed AM-FM stereo with speakers wired	<input checked="" type="radio"/> YES <input type="radio"/> NO
25 - Locks/ Keys	One key used to operate doors, ignition and trunk. Four keys to be supplied	<input checked="" type="radio"/> YES <input type="radio"/> NO
26 - Paint Color	Black & White Color Scheme(pattern to be determined)	<input checked="" type="radio"/> YES <input type="radio"/> NO
27 - Rear Window Defroster	Electric Grid Type	<input checked="" type="radio"/> YES <input type="radio"/> NO
28 - Power and Heated Mirrors	Right and Left sides, interior day/night mirror	<input checked="" type="radio"/> YES <input type="radio"/> NO
29 - Intermittent Wipers and Electric Washers		<input checked="" type="radio"/> YES <input type="radio"/> NO
30 - Driver Side Spotlight		<input checked="" type="radio"/> YES <input type="radio"/> NO
31 - Rear Cargo	Electric device to unfasten or unlock the rear cargo door/window inside the drivers compartment	<input checked="" type="radio"/> YES <input type="radio"/> NO

<u>Item</u>	<u>Minimum Specifications Required</u>	<u>Specifications Furnished</u>
34 - Running Boards		YES <input checked="" type="radio"/> NO
35 - Vinyl Flooring		YES <input checked="" type="radio"/> NO
36 - Front License Plate Holder		YES <input checked="" type="radio"/> NO
37 - Towing Package with Class III Hitch		YES <input checked="" type="radio"/> NO
38 - Tire Pressure Monitoring System		YES <input checked="" type="radio"/> NO
39 - Locking Gas Cap Via Interior Push Button		YES <input checked="" type="radio"/> NO
40 - Power Adjustable Pedals		YES <input checked="" type="radio"/> NO
41 - Traction Control		YES <input checked="" type="radio"/> NO
42 - Hood Release	(Internal)	YES <input checked="" type="radio"/> NO
43 - Rear Window mounted Flashers (red & blue)		YES <input checked="" type="radio"/> NO
44 - Windows	Power - all tinted	YES <input checked="" type="radio"/> NO
45 - Chimes & Buzzers	Disconnect of all prior to delivery	YES <input checked="" type="radio"/> NO
46 - License Plate Strobes (white)		YES <input checked="" type="radio"/> NO
47 - Rear Door Handles Inoperative		YES <input checked="" type="radio"/> NO
48 - Front Marker Lens Strobe Bulb & power supply		YES <input checked="" type="radio"/> NO
49 - Rear Tail Light Strobe Bulb & power supply		YES <input checked="" type="radio"/> NO
50 - Alternating Headlight Flasher Module		YES <input checked="" type="radio"/> NO
51 - Alternating Headlight Flasher		YES <input checked="" type="radio"/> NO
52 - Siren/Speaker & mounting Bracket	Installed behind front grill	YES <input checked="" type="radio"/> NO
53 - Radio Console with Computer Mounting Bracket	(Panasonic Tough Book)	YES <input checked="" type="radio"/> NO
54 - 100 Watt Siren Amplifier	w/three tones, Air horn and P/A, plus nine function light control	YES <input checked="" type="radio"/> NO
55 - Whelen Liberty LED Light Bar	With alley and takedown lights	YES <input checked="" type="radio"/> NO
56 - Recessed Panel Prisoner Partition	w/single vertical gun lock (shotgun)	YES <input checked="" type="radio"/> NO
57 - Hands free Light & Siren Controller		YES <input checked="" type="radio"/> NO
58 - Three(3) 12 volt outlets		YES <input checked="" type="radio"/> NO
59 - Vertical gun lock for Colt AR-15 (position to be determined)		YES <input checked="" type="radio"/> NO

EPA Estimated mpg (city/highway) 17 City, 24 Hwy

Warranty: Specify standard new car MFG. Warranty, conditions and/or terms:

2015 Durango 3yr/36,000.mile, 5yr/100,000.mile powertrain
2016 Durango 3yr/36,000.mile, 5yr/60,000.mile powertrain.

Service: A high level of service and priority of service is necessary with police vehicles to provide emergency services and avoid costly down-time. Please specify what priority service would be for all repairs/maintenance:

To CONTINUE OUR FLEET FOCUSED relationship with
the City.

Delivery: Planned delivery on this order will be (approximate delivery date or elapsed time from date of order)

2015 Durango 60-90 Day Estimate from ORDER PLACEMENT
2016 Durango 90-120 Day Estimate from ORDER PLACEMENT.

Delivery must take place before February 29th, 2016.



Mark W. Samelstad
Chief of Police

Police Department in the same condition until delivery to the buyer/dealer in the purchase transaction, except estimates of additional mileage and normal age and wear.

11. PRICE QUOTE DATA:

All price quote information shall become the property of the City of New Richmond and after approved by the City Council, may become open public record for anyone to review that record under Wisconsin Open Records laws.

12. CITY RIGHTS OF ACCEPTANCE/RE-NEGOTIATIONS:

The City of New Richmond reserves the right to review, accept and/or reject all price quotes based on compliance with specifications, costs quoted, delivery dates, warranty and service to be provided and/or other factors which directly affect economical and efficient provision of police services.

The City of New Richmond further reserves the right to re-negotiate price or conditions upon dealer failure to reasonably deliver equipment on the time schedule as indicated and/or in non-compliance with the specifications agreed upon at the time of order for purchase. It is understood by all parties that this re-negotiation could include cancellation of the order.

SPECIFICATIONS AND PRICE QUOTE:

Any vehicle quoted must include full car warranty coverage.

The New Richmond Police Department requests price quotes on:

Two (2) 2016 Police Special Service Patrol Vehicle, four wheel drive SUV (Sport Utility Vehicle), V6 engine, 4-door vehicle that meet or exceed the attached minimum specifications. The vehicle must be delivered prior to February 29, 2016.

All Bids must be submitted to the Chief of Police no later than 10:00 a.m. October 7th 2015.

State Vehicle Make: 2016 DODGE DURANGO
State Vehicle Model: SPECIAL SERVICE AND

Offer For Trade-In of (1) 2012 Dodge Durango (Squad # 17) \$ 10,000.⁰⁰

(1) 2014 Dodge Durango (Squad # 20) \$ 12,000.⁰⁰

STANDARD PRICE PER VEHICLE with Emergency Accessories... \$ 35,185.⁰⁰

TOTAL COST PER VEHICLE \$ _____

AGENCY/DEALERSHIP Bernards Northtown

Signature [Signature] Date 10-8-15



156 East First Street
New Richmond, WI 54017
Ph 715-246-4268 Fax 715-246-7129
www.newrichmondwi.gov

TO: Mayor and City Council

FROM: Tanya Reigel, City Clerk

DATE: October 8, 2015

RE: Resolution #101503 – Transportation Investment Coalition

Background

Alderman Ard requested to have the Council consider the attached resolution for Transportation Investment Coalition. This resolution is recommended by the League of Wisconsin Municipalities.

Recommendation

Staff is recommending that we approve the resolution.

RESOLUTION #101503
TRANSPORTATION INVESTMENT COALITION RESOLUTION

WHEREAS, local government in Wisconsin is responsible for about 90% of the road miles in the state; and

WHEREAS, Wisconsin's diverse economy is dependent upon county and town roads as well as city and village streets and transit systems across the state; and

WHEREAS, according to "Filling Potholes: A New Look at Funding Local Transportation in Wisconsin," commissioned by the Local Government Institute of Wisconsin (LGI) the condition of Wisconsin's highways is now in the bottom third of the country; and

WHEREAS, state funding for local roads in Wisconsin has failed to keep up with costs over the past several decades which has adversely affected local transportation finances. According to "Filling Potholes," municipal transportation spending has declined from \$275 per capita in 2000 to \$227 in 2012; and

WHEREAS, levy limits do not allow local government to make up for the deterioration of state funding; and

WHEREAS, Wisconsin's over-reliance on borrowing eats away at the state's segregated funding sources – the state gas tax and vehicle registration fees – which increasingly pay debt service rather than fund transportation needs; and

WHEREAS, safety is a primary concern and responsibility of local governments across Wisconsin. Unfortunately, according to TRIP, a national non-profit transportation research group, Wisconsin had 347 non-interstate, rural road fatalities in 2013; and

WHEREAS, the New Richmond City Council recognizes that our state highway and interstate system is the backbone of our surface transportation system and plays a vital role in the economy of Wisconsin. Both local *and* state roads need to be properly maintained in order for our economy to grow; and

WHEREAS, from a competitive standpoint Wisconsin motorists pay significantly less than any of our neighbors when you combine the annual cost of the state gas tax and vehicle registration fees; and

WHEREAS, the Transportation Finance and Policy Commission, appointed by the Governor and Legislature clearly found that if Wisconsin does not adjust its user fees, the condition of both our state and local roads will deteriorate significantly over the next decade.

NOW, THEREFORE, BE IT RESOLVED by the New Richmond City Council, to urge the Governor and Legislature to #JustFixItWI and agree upon a sustainable solution: one that includes a responsible level of bonding and adjusts our user fees to adequately and sustainably fund Wisconsin's transportation system. Furthermore, the New Richmond City Council directs

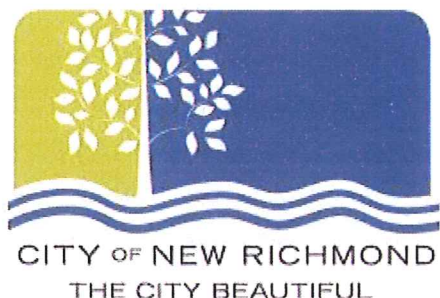
the City Clerk to send a copy of this resolution to our State Legislators and to Governor Scott Walker.

Passed and approved this 12th day of October, 2015.

Frederick Horne, Mayor

ATTEST:

Tanya Reigel, City Clerk



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www.newrichmondwi.gov

MEMORANDUM

TO: Mayor Fred Horne and City Council

FROM: Kari Kraft, Human Resources Manager

DATE: October 9, 2015

SUBJECT: 2016 Group Health Insurance Renewal Options

BACKGROUND

Each year, beginning in July, the City of New Richmond begins work on its healthcare renewal strategy for the following fiscal year. The renewal process is somewhat complex, and potential rate increases or decreases are usually communicated in September or October, leaving only a few short weeks for plan design changes if the renewal costs are budget prohibitive. Factors that will influence the outcome of the "rate renewal" process include: the overall health of your insured population, the ratio of premium collections to actual healthcare claims for the year, catastrophic claims data, and increases in base healthcare service costs.

BENEFIT PLAN STRATEGY

It is a shared goal of the administration team and the City Council to provide employees with a group health insurance plan that offers protection against catastrophic medical costs, promotes wellness, and most importantly delivers a high value when comparing benefits to costs. We understand that health insurance is a valued employee benefit that helps us to attract and retain top talent, and we want to continue to offer options that meet our employees' healthcare needs.

An equally important goal is cost containment. According to data received from J.A. Counter, healthcare trend (the average increase in premiums over the previous year) is currently estimated to be 8%, which is not financially sustainable for the City or its employees over the long-term.

We have received information from J.A. Counter that leads us to believe our current health plan would be subject to the Cadillac tax beginning in 2018. The Cadillac tax imposes a 40% excise tax on employers that provide insurance coverage to employees that costs more than \$10,200 for single policies or \$27,500 for family policies. Although the tax wouldn't take effect until 2018, we believe it is important that we begin taking steps to address, and hopefully avoid, the tax in incremental stages that minimize hardship to employees.

Lastly, we know that healthcare is not a one-size-fits-all proposition and that each employee has unique healthcare needs. With that in mind, we would like to offer employees two health plan options in 2016. Options would include a traditional health plan – similar in design to what we currently have, and a true High Deductible Health Plan (HDHP) with a Health Savings Account (HSA) attached. This approach not only offers employees a choice in how their healthcare dollars are spent, but also offers a glimpse of the true cost of healthcare.

In summary, our 2016 Healthcare Strategy aims to address the following:

- Cost containment (Ideally, the City would like to see a decrease in overall healthcare costs)
- Deferment or avoidance of the Cadillac tax in 2018 and beyond
- Offer more than one plan option to employees
- Target wellness and attempt to positively impact consumer behavior

OPTIONS

Here are the options as they were presented to the Finance Committee on Monday, October 5, 2015. These options were developed by staff at J.A. Counter after they received renewal rates from Medica and reviewed our renewal needs and strategy. (Numbers are rounded to the nearest whole dollar).

Option 1:

Increase the employee's premium share contribution to 13% (Up from 10%)

Increase the underlying deductible to \$3,500

Increase the copay for office visits to \$25

Increase the **net** health plan deductible to \$750 single, \$1,500 family

Employee Impact

	Current Plan	Renewal
Annualized Premium Rounded	Single: \$738 EE+1: \$1,513 Family: \$2,024	Single: \$919 EE+1: \$1,883 Family: \$2,519
Office Visit Copayment	\$15	\$25
Rx Copayment	\$5/\$20/\$40	\$5/\$20/\$40
Net Deductible	\$350 Single \$700 Family	\$750 Single \$1,500 Family

Employer Impact

	Current (2015)	Renewal (2016)	Difference
Annual ER Premium	\$888,315	\$822,167	(\$66,148)
Annual HRA Exposure	\$240,800	\$308,000	\$67,200
Annual HRA Estimated Utilization (35%)	\$84,280	\$107,800	\$23,520
Total Maximum Exposure	\$1,129,115	\$1,130,168	\$1,053
Total Estimated Exposure	\$972,595	\$929,967	(\$42,628)
First Year Cadillac tax (<i>Assuming trend</i>)	2018	2020	

Findings:

By increasing the cost sharing of employees to 13%, and adjusting the deductible and co-pay amounts, this plan option will reduce the overall cost to the City of New Richmond by approximately \$42,628 or 4% in FY2016. It also defers the probability of subjecting the City to the Cadillac tax by an additional two years.

Option 2:

Dual Choice with flat contribution for 2016 regardless of plan 2 or plan 4

Increase the underlying deductible to \$3,500

Incorporate Health Savings Account contribution of \$1,000 single, \$2,000 family

Remove copayments for office visits

Preventive Rx is covered after copay, all other subject to deductible

Employee Impact

	Current Plan	Renewal
Annualized Premium Rounded	Single: \$738 EE+1: \$1,513 Family: \$2,024	Single: \$467 EE+1: \$958 Family: \$1,281
Office Visit Copayment	\$15	Subject to Deductible
RX Copayment	\$5/\$20/\$40	Subject to Deductible*
Net Deductible	\$350 Single \$700 Family	\$2,500 Single \$5,000 Family

Employer Impact

	Current (2015)	Renewal (2016)	Difference
Annual ER Premium	\$888,315	\$822,167	(\$66,148)
Annual HRA Exposure	\$240,800	\$0	
Annual HRA Estimated Utilization (35%)	\$84,280	\$0	
2016 HSA Contribution	\$0	\$112,000	(\$128,800) <i>Annual HRA exposure – HSA contribution</i>
Total Maximum Exposure	\$1,129,115	\$934,167	(\$194,948)
Total Estimated Exposure	\$972,595	\$934,167	(\$38,428)
First Year Cadillac tax assuming trend increase	2018	2021	

Findings:

This option replaces the Health Reimbursement Account (HRA) with a Health Savings Account (HSA). The estimated savings of converting to this plan type is approximately \$38,428. This plan option pushes out potential Cadillac plan implications until 2021.

STAFF RECOMMENDATIONS:

Based on the strategy detailed in the memo, staff recommends implementing a dual choice health plan for 2016. This includes adopting both options as presented above. Both plans will reduce overall cost to the City, offer choice and value to employees, and positions us to defer and possibly avoid the Cadillac tax in 2020.



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MEMORANDUM

TO: Mayor Fred Horne and City Council

FROM: Mike Darrow, City Administrator
Kari Kraft, Human Resources Manager and Executive Assistant
Noah Wiedenfeld, Management Analyst

DATE: October 9, 2015

SUBJECT: Employee Benefits - PTO and Medical Reserve

BACKGROUND

In January of 2015, the City of New Richmond began an extensive examination of the official Employee Handbook. This approach allowed for a comprehensive and detailed review of the entire handbook versus an "as needed" section by section amendatory approach as had been done in previous years. The Employee Handbook is a policy document that serves to inform employees of the various employment policies and procedures that have been adopted by the City Council for the purpose of providing a safe and compliant work environment, as well as ensuring that public services are provided to the taxpayers in an efficient and cost-effective manner.

An employee subcommittee, comprised of staff from each City/Utility department, was formed earlier this year to assist in this examination. In concert with this effort, the City Council also began an in-depth examination of employee benefits related to the following:

- Unfunded liabilities
- Sick time
- Vacation time

Over the course of several months, the City Council reviewed the policies of adjoining municipalities as they pertained to vacation benefits, sick time accumulation, and levels of unfunded liabilities. Each plan was measured against the City of New Richmond's current plan, with the ultimate goal of creating something that met the following criteria:

- Is fair and equitable

- Provides for short and long-term financial sustainability
- Takes into consideration proposed changes to state regulations related to unfunded liabilities

In September, the City Council asked that Kari Kraft and I meet with employees to discuss the Council's proposal, including the transition from a separate vacation and sick bank to a Paid Time Off (PTO) system and the movement to a medical reserve account with an associated reduction in the total number of hours that could be accumulated. A series of three employee meetings took place to discuss the Council's proposal with all employees. Additionally, a short narrated video reviewing the components of the proposal was made available to all employees via our website. City employees were asked to provide comments on this proposal to the City Council. A total of over 70 comments and questions were written by employees and submitted to the City Council on September 8, 2015.

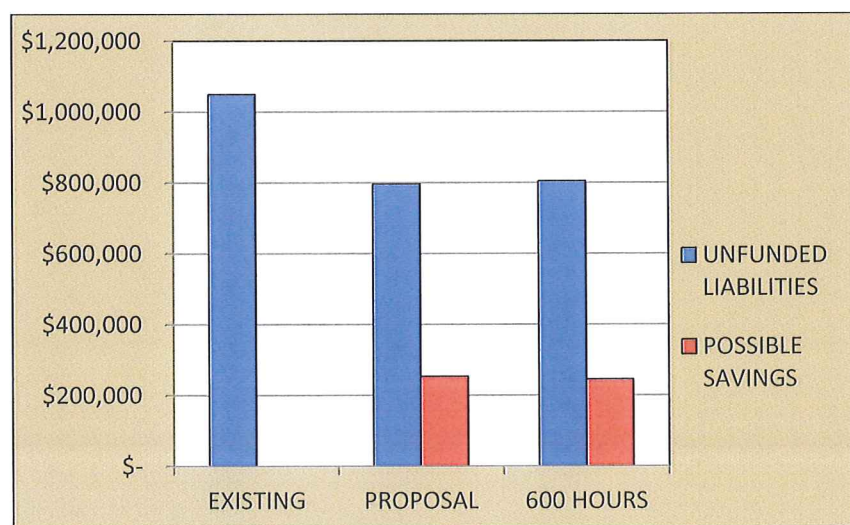
On October 5th, 2015, the City Council conducted a special Council meeting to discuss the current proposal. During this meeting, the City outlined the proposal details based upon the methodology outlined above. On behalf of City employees, Beth Thompson and Jeremiah Wendt provided an overview of ideas related to the proposal.

ANALYSIS

We have been asked to provide an overview of the main ideas identified throughout the discussion on the transition to a PTO system and Medical Reserve Account.

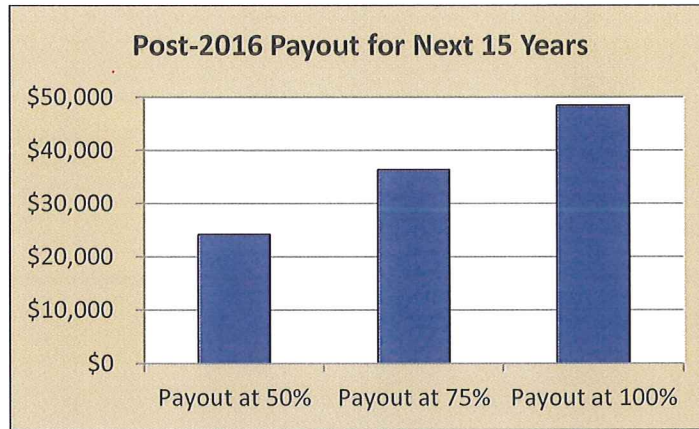
Unfunded Liabilities: An analysis was done to determine the City's current unfunded liabilities. For employees who are currently age 50 and older, arguably the most likely to retire from the City of New Richmond, the total estimated unfunded liability as of 12/31/2014 is nearly \$1.1 million. This calculation considers employees' current sick bank, average retirement age, average number of sick days used annually by each individual employee, and anticipated salary increases. The same analysis was done to determine the cost savings of the current proposal, as well as the cost savings of increasing the Medical Reserve Account from the proposed 500 hours to 600 hours.

Findings: *The current proposal could reduce unfunded liabilities by \$253,000. Slightly increasing the Medical Reserve cap from 500 hours to 600 hours could still reduce unfunded liabilities by \$245,000.*

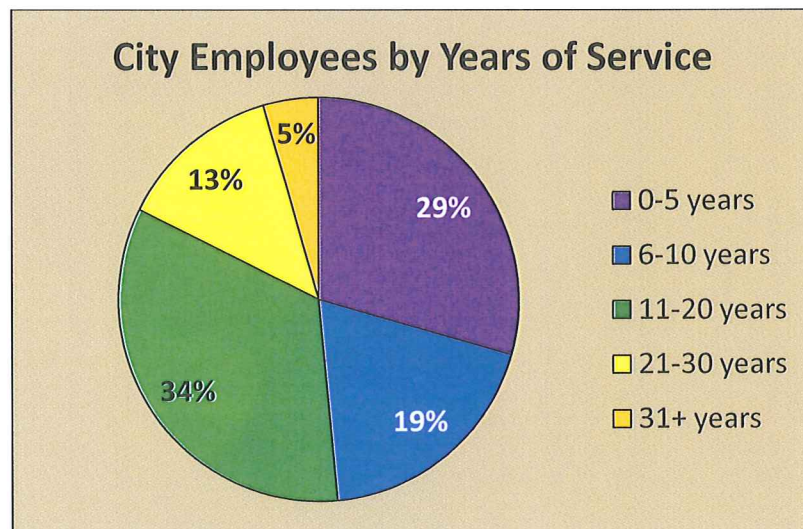


Above: Increasing the Medical Reserve cap from 500 hours to 600 hours would cost an additional \$8,000. However, total unfunded liabilities could still decrease by \$245,000 under this option.

Post-2016 Payout: Many employees currently age 50 and older are still above the 600-hour cap, which means that they would not continue to accrue hours in their medical reserve account unless they dropped below that number. Below is a forecast for the total post-2016 payout (for employees currently ages 50 and above) for the next 15 years, at three possible percentages:



Time Off: A conversion to PTO will allow employees to combine sick time and vacation time into one Paid Time Off account. The average years of service for existing employees is 12 years. The chart below breaks down, by category, the percentage of years of service for our employees.



Average Years of Service: 12 Years

If the Council, during its discussion on Monday evening, looks for an alternative plan, the following may address issues of recruitment, retention, and the ability of newer employees to move some PTO into the Medical Reserve Account in the event of illness or short-term disability. This alternative would create additional days off for employees at 20 years and below, but would cap PTO for employees with more years of service. This cap would still be within the benchmarking data and is equal to what has been proposed.

EXISTING		
<i>Years of Service</i>	<i>Vacation</i>	<i>Sick</i>
1	5 Days	12 Days
2-4	10 Days	12 Days
5-9	15 Days	12 Days
10-21	20 Days	12 Days
22-23	21 Days	12 Days
24-25	22 Days	12 Days
26-27	23 Days	12 Days
28-29	24 Days	12 Days
30+	25 Days	12 Days

PROPOSED	
<i>Years of Service</i>	<i>PTO Accrual</i>
1	10 Days
2-4	15 Days
5-9	20 Days
10-21	25 Days
22-23	26 Days
24-25	27 Days
26-27	28 Days
28-29	29 Days
30+	30 Days

ALTERNATIVE	
<i>Years of Service</i>	<i>PTO Accrual</i>
1	15 Days
2-4	20 Days
5-9	24 Days
10-24	27 Days
25-29	29 Days
30+	30 Days

Considerations

The City Council determined that the methodology utilized as part of the process would include the following criteria:

- Is fair and equitable
- Provides for short and long-term financial sustainability
- Takes into consideration proposed changes to state regulations related to unfunded liabilities

Sick Time Conversion

By reducing the allowable sick time bank, the City will see long-term savings of \$245,000. Additionally, a proposed bank limit of 600 hours will be in line with benchmarking comparisons of other communities. Furthermore, the three pillars as outlined by the City Council will be achieved. The Council's determination as to the total allowable to be kept (50% or greater at the time of retirement) is a discussion point which we have highlighted above.

The average employee with more than 600 hours in their existing sick bank has 17.3 years of experience. Currently there are 29 employees, or just under half of all benefit eligible employees, who have over 600 hours in existing accounts.

PTO

As part of the PTO discussion, the Council may look at the proposed plan or plan alternatives as a part of the conversion process. The alternative above would cap time off for long-term employees (yet still be within benchmarking status) while providing newer employees with additional PTO which would allow them to accrue a Medical Reserve Account at a competitive rate (thus addressing potential short-term disability issues). Additionally, existing long-tenured employees of the City of New Richmond will have existing Medical Reserve Accounts (at 100%) just as under the current proposal.

Why the alternative:

One of the questions that came up as a part of the Council's discussion was how to create some type of a financial bridge in the event of a short-term illness. The intention of creating a sick bank (medical reserve) was to provide income protection in the event of a catastrophic illness. The City of New Richmond currently has long-term disability that kicks in after 90 days of continuous illness which results in an inability to work.

Currently there are 29 employees, or roughly half of all benefit-eligible employees, who have over 600 hours in existing accounts. As part of the Council's proposal, all existing medical reserve accounts will be transferred. These employees, in the event of a short-term illness, will be able to utilize existing funds to get to the long-term disability plan and in many cases still have hours from their existing bank to utilize without tapping into the new PTO.

Employees currently utilize an average of 4.5 sick days per year. One objective of the alternative plan is to allow employees below the average tenure of 12 years, sufficient PTO time off allowing them to bank the average 4.5 sick days per year.

We are not suggesting that employees with more than the average tenure of 12 years deserve less time off, however we are stating that in most cases these employees already have a medical reserve account and are not utilizing sick time at a rate greater than 4.5 days per year.

Conclusion

Finally, this process has demonstrated the commitment from the Mayor, City Council and City staff to work together on a process that in many instances communities leave to be completed by outside consultants at a high cost. While the end result of the Council's findings may not result in 100% consensus, it does demonstrate a commitment to finding solutions on behalf of the City of New Richmond, as well as a model that our city is indeed better when we are working together.



Building Inspection Department 3rd Quarter Summary 2015

	July -September	Year To Date
Permits Issued	88	213
Dwelling Units	20	35
Construction Value		
Commercial	20,952,671.00	23,756,526.00
Residential	3,078,443.00	6,004,898.00
*Multi Family	-	-
Total Value	24,031,114.00	29,761,424.00
Fees Collected		
Building Permit Fee	105,751.99	156,378.24
Assessor Fees	3,450.00	7,625.00
Site Stabilization Deposit	21,000.00	43,000.00
<i>Sewer Access Charge</i>	21,200.00	45,400.00
<i>Water Impact Fee</i>	-	9,240.00
<i>Impact Fee</i>	-	4,275.00
<i>Park Fee</i>	7,900.00	13,896.50
<i>Municipal Facilities</i>	25,500.00	33,900.00
<i>Tranportation</i>	38,250.00	50,850.00
<i>Water Facilities</i>	21,200.00	32,400.00
<i>Park Facilities</i>	11,250.00	12,250.00
Total Fes Collected	255,501.99	409,214.74